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NOTICE

Effective 1 January 1983, this report series is being reorganized and retitled the NEAR EAST/SOUTH ASIA REPORT. In addition to material on the Near East and North Africa, it will contain material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that presently appears in the JPRS SOUTH AND EAST ASIA REPORT.

22 December 1982

NEAR EAST/NORTH AFRICA REPORT

No. 2683

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INTER-ARAB AFFAIRS

'LA REPUBBLICA' INTERVIEWS 'ARAFAT ON PLO AIMS, HISTORY, FUTURE

PM301659 Rome LA REPUBBLICA in Italian 21-22 Nov 82 p 9

[Interview with PLO Chairman Yasir 'Arafat by Franco Prattico, datelined Tunis, 20 November]

[Text] Tunis, 20 Nov--"When we were occupied by the Romans we sent one of our fishermen, Peter, to Rome: He did not occupy Rome, but did something more--he won over the Romans' hearts." With his half smile, penetrating eyes and sparse beard, Yasir 'Arafat never misses an opportunity for making the persuasive observation which catches his interlocutor off guard. "Italy," he continued, "has a moral and historical responsibility in the Palestinian issue. Let us not forget that you and we governed the Mediterranean, from north to south, alternately. My part, I will never forget your solidarity and the welcome I received in Rome from politicians, trade unionists and the general public."

A very long and hectic night journey on board a dilapidated taxi brought me to (Salwa), the headquarters or forced residence of 'Arafat and the Palestinian general staff in Tunisia. At the intersection of the small street which leads to what until recently was an average tourist hotel, a Tunisian police armored car is permanently parked. Armed police and troops emerge from the gloom, stop the cars and examine credentials. Everything around the hotel is under close guard, and one has the impression that the Palestinians are regarded as awkward hostages rather than prestigious guests for an Arab nation. Inside, the hotel is like a sad and empty besieged fortress, guarded by PLO "security" men. 'Arafat's office seems to have been brought here bodily from Beirut: The telephone rings continuously and there is a constant stream of lieutenants and armed men, messages and whispered orders.

The impression is one of a siege, of the mistrust which, even worldwide, still surrounds the Palestinian people's representatives both abroad and in the occupied territories. And it is precisely relations with the Arab governments that now constitutes the nub of the Palestinian question. Since the Fes summit the hypothesis of a federation with Jordan has returned to the agenda. Before "black September" it was said that the road to Jerusalem passed through Amman. Is this thesis valid again, since the battle of Beirut we asked 'Arafat.

"We never said anything of the kind, either now or then, I state this as chairman of the PLO. It is true that the situation now is different. We emerged militarily stronger from the war in Lebanon. Before we were represented by our forces in five Arab countries; now we are in eight, and have become more skilled and better trained. Maybe we are not the greatest Arab army, but we have shown ourselves to be a force that succeeded in defending Arab honor. On the political plane too, the PLO is stronger than before the war. Therefore there is now a new attitude, as was seen at the second Fes summit, whose success was determined precisely by the role played there by the PLO.

"After Fes King Husayn of Jordan put forward two hypotheses: To form a federation or confederation with us. I went to talk to him and had conversations on behalf of the entire Palestinian revolution, all Palestinians. I said 'no' to any solution that jeopardized the Palestinian people's political autonomy, but we are in favor of solutions that take this requirement into account. A Jordanian-Palestinian joint committee is now at work on the task of laying the foundations for this solution."

[Question] Such a solution is not favored by the Syrians, however.

[Answer] The Syrians have their opinions; we have ours. All opinions can be compared. But it is clear that the Palestinian people, the PLO, will never allow others to decide their future.

[Question] But some PLO leaders too are not agreed on the path outlined at the Fes summit.

[Answer] There are opinions, a dialogue and a debate among us. Is there a conflict? I am proud of it. I do not lead slaves: I lead fighters, free men. We have created a democracy amid a forest of rifles. I represent not myself, but the majority of the PLO's overall will [sentence as published].

[Question] Let us turn to the Western world. Has anything changed in relations with the United States since the battle of Beirut?

[Answer] If they have changed, I have not noticed it. I consider the United States responsible for what happened in Beirut after we left. In Rome I told your foreign minister, Colombo: "You will be shouldering the responsibility for what happens in Beirut if you withdraw the multinational force." But Colombo let me know, as did his French counterpart, that he had had to yield to U.S. pressures. Now the United States is trying to replace the Palestinian half moon in Lebanon with an organization of its own, the International Rescue Committee. Well, we will never permit it.

During the 79 days of war we acted as guinea pigs for the new U.S. weapons: fragmentation bombs, cluster bombs, the terrifying vacuum bombs that pulverize entire blocks of buildings, compression bombs that act instantly and destroy the nervous system and "flower" bombs which exude a gas which, combined with the oxygen in the atmosphere, ignites it.

[Question] Has this frightening plight in any way altered your position?

[Answer] As is known, the Israeli aim was to destroy the PLO. They thought they would succeed easily, thanks to their large and heavily armed army. Now the Israelis themselves say that this was their first real war. And they did not win it. They did not destroy us. I challenge Sharon to declare his real casualties, just as I challenged him to come and get me, when I besieged in Beirut.

CSO: 4400/107

INTER-ARAB AFFAIRS

PLO RADIO CARRIES APN INTERVIEW WITH YASIR 'ARAFAT

JN211836 Baghdad Voice of PLO in Arabic 1630 GMT 21 Nov 82

[Text] The Soviet news agency APN has published an interview with Brother Commander Abu 'Ammar [Yasir 'Arafat] who spoke about the Zionist invasion of Lebanon and the barbaric massacres perpetrated by the invading forces and their collaborators, the agent militias. The brother commander also discussed the U.S. plans in the region and USSR foreign policy.

In this interview, Abu 'Ammar asserted that the war which was fought in Lebanon by the Palestinian resistance and the Lebanese nationalist forces on the one hand and the Israeli Army, which was armed to the teeth with U.S. weapons and which was relying on unlimited U.S. support on the other, was a test of the strength, maturity and military steadfastness for the Palestinian resistance movement. Employing modern weapons which included internationally-banned weapons, the Zionist enemy wanted to deal a decisive and deadly blow to the Palestinian resistance movement and to crush its nucleus, the PLO. However, the Palestinian revolution stood fast and came out of the Lebanese war stronger, better organized and more experienced and cohesive than before. Abu 'Ammar said: The revolution which closes up its ranks is a just movement. The revolution which wages battle for sublime aims is able to face the most powerful army.

In this interview with APN, Abu 'Ammar also said: The Palestinian Army left Lebanon out of its own volition so as to preserve thousands of Lebanese lives and prevent the annihilation of women, old men and children. However, the agreements which were reached with U.S. envoy Philip Habib were, unfortunately, not honored. Following the evacuation of the PLO groups, the Israeli occupiers organized a savage massacre in the Sabra and Shatila camps. This massacre was perpetrated under the cover of U.S. units because the city was left in the hands of the so-called multinational forces which withdrew suddenly without guaranteeing security for peaceful citizens. This was another link in the imperialist plot which is not only aimed against the Palestinian people but against the Lebanese people as well because among the Sabra and Shatila victims hundreds of Lebanese families which sought shelter in these two camps were also massacred.

Abu 'Ammar pointed out that the responsibility for this massacre is not only Israel's; the massacre was a sanguinary blemish which tarnished Washington's image and branded the military honor of the U.S. Army. He said that the

aim behind carrying out the massacre was clear: It was to terrify the Palestinian and Lebanese people and paralyzing their will to resist. It must be said, Abu 'Ammar went on, that this horrible crime which makes the human blood gelid with fear did not realize what was intended by it. Despite the grave losses, the Palestinian revolution will continue its march to victory.

As for Washington's projects to expand the U.S. presence in Lebanon represented by the so-called multinational forces, they are only a part of the plot which is being implemented not only against the Palestinian and Lebanese peoples but also against the Arab peoples. This plot threatens the rest of the peoples of the Mediterranean region and is an attempt to change the strategic balance in the region in Washington's favor, and hence it constitutes a threat to all liberation movements and peace-loving peoples. As for the current PLO situation, I must say while I am aware of my responsibility, that we have been able to reorganize ourselves, regain our structure and close our ranks with a remarkable speed.

Abu 'Ammar spoke about USSR foreign policy principles which were enunciated by the new Soviet party chief Andropov in his recent speech at the Red Square: Abu 'Ammar said: The Palestinians were pained by the death of President Leonid Brezhnev who was a great friend of the Palestinian people. The Soviet support for the Palestinians was especially felt during the events of the past 3 months during which the Palestinian people found themselves in very difficult circumstances. Abu 'Ammar said: In his speech, Andropov categorically and indubitably revealed the determination to continue confronting imperialist pressures, to concentrate efforts on strengthening the socialist states and to render full support to progressive states and peoples fighting against imperialism for their freedom and legitimate rights.

In conclusion, Abu 'Ammar said that these principles strengthen people's hopes, render fresh energy to all struggling peoples, particularly the Palestinian people, who fight imperialism, Zionism and racism and grant them a new spirit of struggle.

Brothers: You have just heard the text of the interview which was granted by Brother Commander Abu 'Ammar to Soviet news agency APN 2 days ago.

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INTER-ARAB AFFAIRS

PALESTINIAN INTELLIGENCE CHIEF DISCUSSES CURRENT PLO STATUS

GF021000 Kuwait AL-WATAN in Arabic 30 Nov 82 p 17

[Text of interview with Brig Gen Abu al-Za'im, inspector general of the Palestinian Revolution Forces, member of the Fatah Revolutionary Council, member of the Supreme Military Council of the Palestinian revolution, and chief of Palestinian Military Intelligence, by AL-WATAN correspondent Muhammad Abu Harib in Tunis--date not given]

[Excerpts] [Question] How do you view the circumstances of your residence in Tunisia?

[Answer] It is our nature as Palestinians to be pan-Arab in the first place and above all considerations. We do not discriminate between this place and that place or this people or that people in the Arab homeland out of our belief that the Arab homeland is basically and primarily one blood, one people and one nation, and that our presence in this country or that country means we are in our homes among our families and our parents. What would you say if we talked about Tunisia?

We know a great deal about the glorious Tunisian records of struggle and Jihad and about the Tunisian people's Arab fraternity and effective solidarity. Believe me, we are here as if we are in our own country. I am sure every Palestinian struggler and every Arab resident in this country shares this feeling with me.

[Question] What is the condition of the fighters and what is their psychological state after what has been said about their being depressed in al-Zarqa' valley?

[Answer] People should not be fooled by such rumors because they are tendentious and come within the framework of the enemy's tricks which consider the post-Beirut phase a phase of psychological warfare. The military battles, with all their unequal circumstances of course took place in Lebanon. In the enemy's view, the psychological warfare began the moment the Palestinian heroes left Beirut. Concurrently, every day we hear rumors: The Palestinians are complaining, reacting--all of which is false propaganda. Naturally the Palestinian fighters who devoted themselves to their cause and country undoubtedly prefer to be always on the confrontation line in order to attack the enemy because this is the nature of their war and this is their real place.

This does not mean at all that the situation has affected our fighters negatively. No, our fighters are now organizing, building and training in the military standard which suits them for the upcoming battle which our fighters will wage with more discipline, and better training and competence.

Hence, the presence of our fighters in al-Zarqa' valley is very natural, and there is nothing to be said about the problems about which our enemies spread with their rumors every now and then.

[Question] Regardless of your remoteness from the Palestinian homeland, do you believe that the fighters and politicians of the Palestinian revolution feel comfortable in Tunisia and in other Arab countries?

[Answer] Comfort is not important. What is important is work and the continuity of revolution and struggle. It is illusion or even infidelity indeed to think that the Palestinian revolution is a group of fighters that left Beirut because as you know this group did not exceed 8,000 fighters among whom were the information media and administrative personnel and writers. This means they were not all fighters although they were all strugglers since struggle can be with the gun, the tongue, the pen or any other effort that would serve the cause and push it forward. In Beirut, even the strugglers with the pen took up arms when they had to and so did the Palestinian sisters and boy scouts.

Therefore, it is unfair and unjust to think that the Palestinian revolution is just the 8,000 fighters scattered in the Arab homeland. We can say we have this number in Syria alone for instance, and we may have thousands of fighters in the Lebanese al-Eiq'a now. The entire Palestinian people are revolutionary. Even the children in Jerusalem are confronting the enemy, not to mention the women and the elderly. The revolution includes all the elements of the Palestinian people. This revolution will only stop when it is victorious, God willing.

Thus, the presence of the revolutionaries in Tunisia or somewhere else is for the sake of serving the cause.

[Question] How do you view the question of the PLO's independence and freedom of action with regard to the policies of the Arab regimes?

[Answer] We absolutely believe that this Arab nation is one and that the Palestinian cause is the cause of all Arabs. The cause should be left to its people and the Arab role should be auxiliary and supporting and not obstructing and hampering. In a nutshell, the formula should read: "Who is with the revolution?" but if we say "With whom the revolution is?" is something wrong, and something we reject and do not accept at all.

Attempts are being made to drag the revolution into alignment with this party or that regime. We reject this completely. Believe me, all those who are with the revolution do not interfere in its affairs, but those who are not with the revolution try to drag ... into labyrinths the revolution can do without because the Palestinian people have had enough.

[Question] In view of the resistance's present situation and the distribution of strugglers on a number of Arab countries, do you believe there is an alternative to military action so that political action will be guaranteed, as was the case before the exit from Beirut?

[Answer] Since the first bullet was fired, we tried to assert that the primary objective of our armed march was to achieve our political rights and national rights. Since then, we believed that we are fighting and holding talks because political action is one sphere and the military action is another. But if one of them, at any moment or at a certain stage, can be given more preference, we are ready to do this because we believe that our struggle began for the sake of freedom. Struggle, or even the people's suffering, is a kind of struggle and we are not against peace. However, we are against peace based on injustice and submission.

Hence there is no difference between political and military struggle. Nevertheless, I do not mean that when I negotiate politically I will be totally discarding my military option. Similarly, when I carry weapons, I do not forget the political issue.

[Question] Abu Iyad indicated that the fighters would be regrouped later on and armed resistance would resume in one way or another. What is your opinion?

[Answer] As I have said, we do not exaggerate the position of fighters who are outside the front lines. All the people know that the number of fighters who left Lebanon is 8,000. Of course there are 2,000 fighters from the Palestine Liberation Army who live in Syria and who went to it. One portion of the 8,000 fighters went to Syria which is on the front lines. Our forces still are in al-Biq'a' and Tripoli, Lebanon. So, the number of the forces outside Syria and Lebanon do not exceed 5,000.

Assuming that the armed Palestinian forces abroad are 8,000, is it logical to say that the Palestinian people, with their massive revolution, firm determination and steel will, rest only on 8,000 men?

Therefore, Brother Abu Iyad's statement is valid because what is the purpose of gathering the Palestinian forces if not for the purpose of training? And why training at this time if not in preparation for an upcoming battle? It therefore makes sense to gather the forces. However, what is important is organizing, arming and reinforcing the active force.

[Question] Within what framework can your recent visit to Egypt be placed and what is your opinion concerning Cairo's stands since the Israeli invasion of Lebanon and even following the Fes summit and the emergence of the Arab strategy?

[Answer] Yes, in this strategic action ignoring Egypt's role during the upcoming stage is considered a great mistake. We must take Egypt from the position that was planned for it despite its rejection and its Arab nation's rejections of this position. Egypt is the castle of Arab struggle throughout history. It is not proper at all to let it fall prey to imperialism and Zionism.

[Question] What is your opinion concerning the Arab moves and the current contacts especially among King Fahd Hassan and King Husayn. Do you take precautions just in case things go beyond the PLO's control considering that the PLO must be the one to make the final decision before bringing about any Arab step on the path of the efforts to achieve a peaceful settlement?

[Answer] We consider all those you have mentioned as Arab brothers and leaders who are concerned about the Palestinian question as much as we are. Thus, it pleases us to see any Arab move in the direction of the Palestinian question and this does not frighten us, it rather encourages us because we are confident that these brothers will work only for the benefit of the Palestinian question. None of them ever thinks of neglecting this question. On the contrary, what we have heard directly and what we have felt precisely from King Fahd is that they are with us in all that we need and that they don't want to impose an opinion or a stand on us.

They emphasized to us that they want us to make our independent decision with our free will; they are with us in heart and body. King Fahd emphasized to us that he and all the Arabs are with us. This is personal word. Therefore I am convinced that there [will] be no disregard of the PLO.

CSO: 4400/107

INTER-ARAB AFFAIRS

PALESTINE BROADCAST SCORES OVERTURES TOWARD EGYPT

JN042040 Damascus Domestic Service in Arabic 1630 GMT 4 Dec 82

[Palestine broadcast: Unattributed commentary]

[Text] The rightist, reactionary efforts being exerted to cancel the sanctions imposed by the Arab nation on the Egyptian regime without forcing it to renounce the Camp David accords are still going on. Attempts at involving some Palestinians in this process will give the rightist and reactionary forces the excuse to continue dealing with the Egyptian regime. This approach naturally threatens the Palestinian cause with liquidation through expanding the Camp David circle. It constitutes a threat to the pan-Arab security because one of its aims is to spread the process of normalizing relations with Israel to include other Arab states besides Egypt. This approach is also aimed at opening the road for the Reagan plan and implementing it in the region.

All this is a deviation from the Arab consensus which defined the joint Arab concept of the situation at the Rabat, Baghdad and Fes summits. This deviation threatens the remaining signs of Arab solidarity. The contribution of some Palestinian figures to this deviation and their violation of the Palestine National Council's decisions and the PLO Central Council's resolutions will certainly threaten the Palestinian national unity, because the struggling Palestinian masses and their fighting forces are opposed to such an approach. They reject the Reagan plan, the Palestinian autonomy and any dealing with the Husni Mubarak regime unless it renounces the separate peace treaty with the enemy. Hence, the genuine Palestinian decision is to continue the struggle, to continue the steadfastness and confrontation, to entrench the Palestinian resistance bases and positions and to foil the U.S. scheme of imposing the capitulatory settlement on the region.

We are certain that the will of the Arab masses, fighters and revolutionaries will eventually triumph. The attempts of the rightist and reactionary forces to stifle this will and implement the U.S. imperialist schemes will fail no matter how often these attempts are made.

CSO: 4400/107

INTER-ARAB AFFAIRS

PLO RADIO INVITES ACTION AGAINST VILLAGE LEAGUES

JN281942 Baghdad Voice of PLO in Arabic 1600 GMT 28 Nov 82

[Unattributed commentary]

[Text] O our kinfolk in occupied territory. The Zionist enemy is again trying to employ its agents in the village leagues in carrying out mean practices against the Palestinian citizens. The enemy is instigating them to carry out assassination operations against nationalist leaders in our occupied territory. O our people: You have exposed the dirty role of the village league members, pursued them and carried out the sentences passed by the people and the revolution against them. Surely you do not see any difference between these cheap cowards and the Zionist intelligence men. They are the lowest form of tools used by the Zionist intelligence apparatus to tighten its grip on your lives and to implement what the intelligence department failed to carry out.

Some of the village league members desisted; they heeded their conscience and retreated when they were about to embark on the path of treason in which the enemy attempted to involve them. Some others are still playing their despicable role of dealing with the Zionist occupation. There is still a chance left for these to listen to reason and to return to the ranks of the people who are continuing their struggle against the Zionist occupation by all means available to them.

O our people in the occupied homeland: Let us pursue the agents of these suspect leagues. Let people carry out the sentence passed by the people and revolution against these agents. There is no place for the village leagues in the homeland and the agents will have no respite or safety. Victory is yours, God willing.

CSO: 4400/107

INTER-ARAB AFFAIRS

FALASTIN AL-THAWRAH VIEWS PALESTINIAN STRUGGLE

LD271752 Kuwait KUNA in English 1628 GMT 27 Nov 82

[Text] Nicosia, 27 Nov (KUNA)--The official PLO magazine FALASTIN AL-THAWRAH in an editorial this week outlined the policy of the Palestinian revolution after the Beirut battle.

The Palestinian revolution was currently engaged in a battle in the arena of Palestinian-Arab relations in a bid to tame and then continue the Palestinian revolution, the paper said. "Some of the Arab regimes are now claiming that the Arabs should seize the opportunity before the Americans retreat from the Reagan plan," the paper added.

Describing the aims and objectives of the Palestinian revolution, the paper said, it was determined to stick to Palestinian political and military decisions and to protect Palestinian independence from all those who attempt to contain the revolution.

The paper further said that there were certain countries "which steal the slogans of the revolution and claim to hold the same principles as the Palestinian cause, but at the same time nurture a dangerous enmity for the revolution." The magazine called upon the Palestinian people to remain alert in the current battle over the sponsorship and containment of the revolution.

The magazine described the Beirut battle as a test for the two prevailing directions in Arab political life, and placed the Arab regimes in two categories--those which are openly linked with American imperialist interests and those which verbally oppose the U.S. but in fact do whatever possible to maintain the bridges of "understanding" with Washington and its friends in the Arab region.

Those Arab regimes which were hiding themselves behind nationalistic slogans were fully exposed after the Beirut battle. Their aim was to exterminate the Palestinian fighters so that the map of the region could be redrawn and "perhaps remove Lebanon from the political map." These aims failed, the paper concluded.

CSO: 4400/107

JORDAN FAILS TO GAIN WEST BANK SUPPORT

JN291546 Jerusalem AL-TALI'AH in Arabic 25 Nov 82 p 1

[Text] Reports from the West Bank and Gaza Strip affirm that the Jordanian regime's henchmen and those calling themselves moderates have failed to mobilize popular support for the program of confederation with Jordan and for authorizing King Husayn, instead of the PLO, to speak on behalf of the Palestinians. It has been learned that they were forced to withdraw their document for which they tried to collect signatures in complete secrecy. The document also called on the PLO to recognize UN Resolutions 242, 338 and what is called reciprocal recognition with Israel. It also stated that the Reagan plan contains some positive elements.

Bayt Jala's appointed Mayor Farah al-A'raj said in an interview with the Israeli Arabic language daily AL-ANBA' that the document was withdrawn because of opposition from factions he called extremist. He also said that he had signed the document along with Bethlehem Mayor Ilyas Frayj and the appointed mayor of Jericho Jamil Sabri Khalaf. Some learned people said that the disclosure of the memorandum which was named "peace document" and the signature [passage censored].

Some of those responsible for the memorandum tried to introduce some amendments to it. The most important amendment was the call for the Palestinian people's right to self-determination while leaving in the previously mentioned points. This amendment was rejected by the signatories of the original memorandum. Sources close to the pro-Jordanian figures say that an attempt is being made to draft a memorandum acceptable to all. Observers note that this attempt, which is doomed to failure, aims at giving the public the feeling that there is a group of Palestinians--though limited--who support the PLO. Observers say it is for the same reason that the Israeli authorities held what was called the Hebron Village League conference under the shadow of a general curfew imposed on large parts of the city. This conference aimed at refuting the PLO's right to represent the Palestinians. Therefore, the Jordanian regime's henchmen continue their attempts to draft memorandums, hold deliberations and so forth.

Reports coming from Gaza Strip, for example, talked about a mayor, Gaza figures, lawyers and doctors suggesting that the other notables of Gaza Strip should declare their support for the confederation and the so-called

Jordanian-Palestinian rapprochement in the local press. One doctor is said to have replied that he would leave this matter to the national societies and institutions in the strip. A very responsible figure interrupted him by saying that the national institutions had been finished a long time ago. Military government circles and foreign diplomats expressed their regret at the certain defeat of the Jordanian attempts. A mayor, who is a friend of those who advocated the memorandum, was questioned for over an hour in the military governor's office as to why he refused to sign the memorandum, which the Israeli official described as the first memorandum prepared and signed by the free will of the inhabitants without any outside pressure or order.

A consul of one of the countries friendly with Jordan expressed in Jerusalem his disappointment over the failure of the attempts made by the Jordanian regime's henchmen. He said: What I do not understand is that Israel has triumphed and should reap the fruits of its victory. How could you refuse that?

On another level, those in Bethlehem replied to the said "peace document" by drafting a memorandum which was signed by the unions, clubs, institutions and youth centers which do not receive Jordanian financial aid. Sixteen of them as well as unionists, journalists, engineers, doctors, teachers, clergymen, lawyers, heads of women's federations and other highly respected individuals signed the memorandum. The memorandum said: In reply to the attempts to exploit the sacredness of Arab unity, we as Palestinians belonging to the Arab nation believe that Arab unity must be based on democracy and freedom in the Arab world as these will allow the masses to determine their destiny and thus accomplish national unity and place all energies in the service of the liberation battle. The signatories confirmed the following:

1. Their rejection of the U.S. initiative and its Jordanian translation because it contradicts our people's rights.
2. Their rejection of the moves of Arab regimes toward building bridges between the Fes resolutions and Reagan's plan.
3. Their call for releasing democratic freedoms in the Arab countries so that our people can mobilize all their energies, confront the imperialist and reactionary plots and positively contribute to struggle.

CSO: 4400/107

INTER-ARAB AFFAIRS

SYRIA SAID HARASSING FATAH IN N. LEBANON, AL-BIQA'

JN071750 Jerusalem in Arabic to the Arab World 1530 GMT 7 Dec 82

[Report from "With the Events" program]

[Excerpt] The Syrian authorities are taking retaliatory measures against members of the Fatah Movement in northern Lebanon and al-Biqa' in an attempt to put pressure on Yasir 'Arafat and prevent him from any rapprochement with Jordan.

Our correspondent, (Sha'ul Manasheh), writes the following about this subject:

The struggle between the Syrian rulers and Yasir 'Arafat is taking a different color now. It is no longer restricted to bickering and other media controversies. PLO sources in Tunis have complained that the Syrian forces recently seized \$22.5 million worth of weapons and other equipment sent to the PLO in Syria. Reports coming today from Lebanon indicate that the Syrian forces in northern Lebanon and al-Biqa' have recently started to impose strict observation on the moves and activities of the Fatah Movement. These reports add that patrols of Syrian soldiers and armed elements of the pro-Syrian al-Sa'iqah Organization are preventing Fatah elements from crossing over the Lebanese border to Syria to spend their leaves, even when the Fatah elements carry special Syrian permits allowing them to cross over. Reports also add that there are many Fatah elements who have joined other pro-Syrian organizations in order to enjoy the passing facilities to Syria.

Western correspondents in Beirut say that these Syrian measures aim at putting pressure on 'Arafat so he will stop his rapprochement with Amman.

CSO: 4400/107

INTER-ARAB AFFAIRS

PLO RADIO ON JORDANIAN-PALESTINIAN RELATIONS

JN281918 Baghdad Voice of PLO in Arabic 1630 GMT 28 Nov 82

[Station commentary]

[Text] The Palestinian revolution has always realized that Arab disputes and disunity weaken it and that Arab solidarity makes it stronger. During the Fes summit, the Palestinian position was the common denominator to effect a unified Arab stand and come out with unified resolutions in the interest of the Palestinian cause and a working paper explaining the nature of Arab position to world states so as to find a just and permanent solution in the region.

In its moves, the PLO has always avoided the policy of forming axes with one Arab regime against another one. It has always based its relations with this or that regime on its attitude toward the PLO, the sole legitimate representative of the Palestinian people, and on their stand vis-a-vis the Palestinian cause. Any move undertaken by the PLO, represented by the person of Brother Commander Abu 'Ammar [Yasir 'Arafat], in cooperation with this or that Arab country is within the general Palestinian policy. However, any move with Jordan is of special significance. The PLO has realized that in order to serve the national Palestinian cause, strengthen the steadfastness of our people in the occupied territory and preserve close relations with our people in Jordan, an understanding must be reached with Jordan on a special working formula.

The Palestinian institutions, such as the Palestinian National Council [PNC], the PLO Central Council and the PLO Executive Committee have adopted in a democratic manner an independent Palestinian decision to this effect. All the Palestinian moves and activities carried out by the Palestinian-Jordanian Joint Committee and the visits to Jordan by Brother Abu 'Ammar and other Palestinian leaders were based on this decision. An important development in the Palestinian-Jordanian relations was, therefore, reached on the basis of joint and equitable coordination and not out of the desire to contain the Palestinian revolution.

Abu 'Ammar's visit to Amman and his talks with King Husayn and other senior Jordanian officials are significant because they show the continuous readiness to continue the dialogue on successful methods of winning more international support so as to help implement the Arab peace plan, particularly

since the PLO and Jordan have broad relations with numerous world states and their agreement on a joint Palestinian-Jordanian position will, in effect, unify the attitudes of their friends on this. We hope that this will bear fruit in terms of the response to the Arab peace plan which was drawn up in Fes and which is being propagated by the Arab states.

The Palestinian people have absolute trust in their leadership under Brother Abu 'Ammar. They do not support and adhere to their national leadership just because they trust it but because Abu 'Ammar has accustomed the people to taking decisive views on any step toward making an independent Palestinian decision. The leader of the revolution has made it clear that future relations with Jordan, particularly in terms of the proposed Palestinian-Jordanian Federation [FIDIRALI], is the prerogative of the PNC.

As long as the national Palestinian decision is adopted democratically by the PNC, it will remain strong and will not yield to attempts to strike at the Palestinian will and steadfastness. The national Palestinian decision will, therefore, remain independent, supreme and unshakeable until victory.

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INTER-ARAB AFFAIRS

JORDAN, SAUDI ARABIA ENCOURAGING PALESTINIANS TO RETURN

TA251620 Tel Aviv MA'ARIV in Hebrew 25 Nov 82 p 2

[Report by Yosef Tzuri'el]

[Text] The Jordanian authorities are encouraging young Arabs from East Jerusalem and the areas of Judaea and Samaria to return to their original dwelling places by giving grants and loans on easy terms for the purpose of building homes and consolidating in the area. Anyone who guarantees to remain in Judaea and Samaria for at least 10 years will receive a grant that can reach up to 2.5 million shekels and a loan of double this figure on interest terms of 4 percent for a period of 10 years.

This is something new in Jordanian policy and, according to Israeli sources, Saudi Arabia is behind it and working for its implementation. It has been reported that as early as a year ago there was talk of the fact that the stream of young Arabs leaving the territories for Jordan should be reduced, but the way to do so was not found. Now Saudi Arabia is coming to the aid for its own political reasons, aimed against Israel and the Jordanian administration has welcomed this initiative for its own reasons and has now begun implementation.

The assessment in East Jerusalem is that this initiative does not come from King Husayn, but from his brother, Prince Hasan, who for the last 5 years has not stopped taking economic steps whose purpose is to reduce the rate of Palestinians among the Jordanian population and to cut down the economic relations between the two banks of the Jordan River.

To date Jordan has contented itself with providing housing loans to groups of professionals who organized to build homes in several towns in Judaea and Samaria, but the number of people enjoying this aid has not reached 1,000 families.

CSO: 4400/107

PLO REESTABLISHING INFRASTRUCTURE IN BEIRUT

TA251314 Tel Aviv 'AL HAMISHMAR in Hebrew 25 Nov 82 p 2

[Report by Knesset correspondent Yitzhaq Shur]

[Text] The terrorists have reactivated a partial civilian infrastructure in Beirut, consisting of banks, commercial companies and industrial plants. They have also begun establishing underground terrorist cells in places they were evacuated from, and especially in Beirut. These things were said yesterday by a senior source.

According to the source, there are varied opinions in the PLO in regard to the organization's relations with the United States. On the one hand the PLO is making an effort to create negotiations with the U.S. administration, and on the other hand an internal debate is going on over what it will be willing to give in return for U.S. recognition. This source estimated that the PLO is gradually weakening, but is not becoming more moderate politically. He also reported that there are phenomena of desertion and attempts to return to Beirut among the terrorists staying in the various countries.

The Syrians allow the terrorists to pass through the areas controlled by them, but forbid them to carry out terrorist acts from those areas. The Lebanese Government destroyed about 1,000 houses which were on the border between the refugee camps and the city of Beirut, thus creating a new refugee problem. About 500-1,500 Palestinians disappeared. It is estimated that they were killed, but their bodies were not found and there is no evidence of their being killed. It is hard to assume that the U.S. forces and multinational forces sitting in Beirut do not know what is happening there. Lebanese Prime Minister Shafiq al-Wazzan and former Prime Minister Sa'ib Salam expressed concern in face of the disappearance of a few hundred Palestinians from Beirut lately.

As for what is happening in Syria, this source said that the Syrians are absorbing new Soviet tanks, apparently T-62 and not T-72 models.

The source said that as long as the father, Pierre al-Jumayyil, is alive, the Phalangists will accept his leadership and that of his son Amin. But the Phalangists are "finding it hard to swallow" Lebanese President Amin al-Jumayyil's declarations against Israel. The father Pierre is acting as a balance between the Phalangists and Amin.

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INTER-ARAB AFFAIRS

WEST BANK EX-MAYORS WANT PLO TO RECOGNIZE ISRAEL

PM231623 Paris LE MONDE in French 19 Nov 82 p 4

[Report by Paul Balta: "Palestinian Leaders From Occupied Territories Advocate Mutual Recognition by PLO and Israel"]

[Excerpt] At a secret meeting held at the offices of the weekly AL-QUDS in Jerusalem, several Palestinian leaders from the occupied territories, mainly regarded as "pro-Jordanian," drew up a document and launched an appeal to the PLO in favor of recognizing Israel. Mr Anwar al-Khatib, Arab mayor of Jerusalem, who has been stripped of his office, chaired the session which was attended, among others, by Mr Rashad al-Shawwa, former Gaza mayor sacked by the Israeli authorities last year for being a PLO sympathizer, Hebron Mayor Mustafa al-Natshah, Bethlehem Mayor Ilyas Frayj, former Ramallah Mayor Nadim Zuru, the AL-QUDS chief editor and officials from Nablus University.

In the document which they drafted and which, according to a statement made by one of them, is intended to show that "the Palestinians want peace," those prominent figures stress "the rapprochement and coordination between the Jordanian Government and the PLO." They affirm "their full support for the resolutions adopted at the Fes summit and for the positive elements contained in President Reagan's peace initiative." They also stress "the need to halt the process of installing Israeli settlements in the occupied territories."

Paragraph five launches an appeal "in favor of mutual recognition between the PLO, our legitimate representative, and Israel because we consider that the two parties are an integral part of the peace process." The text also asks the PLO to explicitly accept Security Council Resolutions 242 and 338. Indeed Mr Yasir 'Arafat had said in general terms that he accepted all the UN resolutions.

Palestinian National Council Foreign Affairs Commission Chairman Khalid al-Hasan, who accompanied King Husayn of Jordan to Paris told us that the document has just reached the PLO headquarters in Damascus where the Palestinian Central Council is due to meet in the next few days.

According to him, it is a "cry for help" launched to the PLO by the Palestinian officials in the occupied territories who are increasingly worried by the Israeli authorities' control over Gaza and the West Bank.

INTER-ARAB AFFAIRS

PALESTINE RADIO CITES INTERVIEW WITH PLO'S ABU IYAD

LD242308 Algiers Voice of Palestine in Arabic 1700 GMT 24 Nov 82

[Excerpt] Brothers, the military correspondent of Radio Palestine, voice of the Palestinian revolution, is talking to you. At a time when a great deal has been said about Arab, European and American initiatives and about the nonexistence of a Palestinian initiative, Brother Salah Khalif--Abu Iyad--member of Central Committee of the Palestinian National Liberation Organization Fatah, said in an interview with Voice of the Palestinian Revolution radio correspondent that the PLO has entered the road of submitting political initiatives. It did this when it proposed a democratic state in which all could coexist. This still represents the solution for the Jews' problem and for ours. However, this initiative was rejected. With the October 1973 war, we started to propose the establishment of a Palestinian state in any liberated territory or any area on which the occupation is defeated. Eight years have passed since this initiative. The response came in a series of wars: Extermination wars and liquidation wars which are still there and still going on up to this hour.

On the questions circulating about the liquidation of the PLO following the glorious battle of Lebanon, Brother Abu Iyad said: The PLO has become a symbol and an idea within the Palestinian people; it is not a group of individuals and therefore it is impossible to destroy it. The world should know now that after the heroic stand in Lebanon it is not easy to defeat this people, and without a settlement of the Palestinian issue there will be no settlement of the Middle East crisis. He added that 4.86 million Palestinians cannot be totally ignored.

On the PLO's achievements, Brother Abu Iyad said: It has ensured that our people moved toward their objectives and thus the geographical dispersion of our people has no effect any more. It has preserved our people's political unity and it has been able to penetrate the world: We have more than 90 bureaus, we have between 110-112 votes in the United Nations, and we have a presence in all the socialist and European countries, in Africa, Asia, the nonaligned countries, the Islamic world and the Arab world. We are the first liberation movement in the world to have an observer at the United Nations.

Brother Abu Iyad added that the PLO is being treated as a state in the Islamic and the Arab world as well as in other countries, thanks to the bitter struggle and glorious sacrifices of the Palestinian people. It is thanks to the PLO that all these big achievements have been accomplished. Through our Lebanese-Palestinian steadfastness we have destroyed the theory of blitzkrieg which was used by the enemy in its wars against the Arabs.

About the present situation and the PLO's measures, Brother Abu Iyad said: We are preparing our forces now and we are retraining them on arms they have had no chance to train on in the past. I do not mean tanks and aircraft, but weapons the fighter can carry. He said work is seriously underway for the Central Council meeting scheduled for tomorrow in Damascus, and then the National Council's meetings scheduled for the last half of December in Algeria.

Brother Abu Iyad said there is a desire to raise the quality of PLO bureaus and to achieve a qualitative development of our presence in the countries adjacent to the Palestinian homeland: in Lebanon, Jordan and Syria. He concluded by saying: We have not excluded the military option and we will not exclude it. The fight against the Zionist enemy in Lebanon and in the occupied territories will continue. As for the Jews inside the occupied homeland, we extend our hands to whoever is with the PLO and with the establishment of the Palestinian state. We have stressed to our armed forces and to our Fedayeen inside and outside the occupied homeland, not to encroach upon the civilians. How could we forget the thousands of Jews who demonstrated in condemnation of the Sabra and Shatila massacres.

CSO: 4400/107

FATAH'S SALAH KHALAF INTERVIEWED BY ZAGREB PAPER

LD031222 Belgrade TANJUG in English 1139 GMT 3 Dec 82

["Pool" item]

[Text] Zagreb, [numeral indistinct] Dec (TANJUG)--We want our own [word indistinct] with our own flag, our own coat of arms and our [word indistinct]. This is the only way in which we will be ready for any form of cooperation with any Arab state.

The above has been stated by "Al Fatah" Central Committee member Abu Iyad [Salah Khalaf] in an interview to the Zagreb VJESNIK.

Our current cooperation with Jordan does not mean our giving up the rights to our own state, Abu Iyad stressed.

A principal reason for the PLO's [words indistinct] Beirut Abu Iyad cited blockade, thirst and [word indistinct]. Iyad also said that Arab countries' stand had also influenced the PLO's decision.

Abu Iyad further stressed that Israel will [word indistinct] peace initiatives only under the pressure of those forces which support it.

Abu Iyad stated the PLO's wish for Egypt to return among Arab ranks. "We shall, of course, insist on Egypt's withdrawing from the Camp David," Iyad added. To illustrate this Abu Iyad cited negotiations on autonomy and the withdrawal of the Egyptian ambassador from Israel. "All these are positive things," Abu Iyad said.

Concerning relations between Yugoslavia and the PLO Abu Iyad said that they are firm and good. "What makes us sure is the fact that the line which existed in Tito's time continues today," Abu Iyad said. He said that Yugoslavia's political course--which reflects the people's orientation and in which he was himself convinced during his several stays in Yugoslavia, is involved.

Abu Iyad gave credit to Yugoslav journalists who, he said, had contributed to better informing the public on events in Beirut during the Israeli siege.

CSO: 4400/107

ECONOMIC SIGNIFICANCE OF LEBANESE EVENTS DISCUSSED

London AL-DUSTUR in Arabic No 254, 4 Oct 82 p 38

[Article: "Do the Arab Foreign Ministers Understand the Economic Significance of the Slaughter?"]

[Text] The 37th United Nations session on economic affairs began the way all sound economic thinking begins, treating the behavioral sciences as separate, and economics, politics, society and culture as interrelated phenomena. This is because, as Ibn Khaldun said, "all civilization is subject to the same natural laws," and because destruction is also universal, as we see today in the Arab east and many other parts of the nation.

Economic representatives from all over the world stood for a minute of silence out of respect for the Palestinian and Lebanese martyrs who fell in "Auschwitz-Beirut." Some Arab sources of information connected with the International Red Cross have estimated that there may have been 7,000 children, old people, men and women who died as martyrs. This figure is not much lower than the number of Palestinian fighters who were expelled from Beirut in another example of collusion between the United States and Israel. Collusion--premeditated, as the lawyers say--between the United States and Israel had preceded the slaughter in Beirut. There have been similar crimes, unknown to the outside world because they were committed, and are still being committed, in southern Lebanon and in other parts of the occupied Arab land. Ariel Sharon admitted in the Israeli Knesset on Wednesday, 22 September 1982 that he had personally ordered the implementation of an Israeli Government decision--a political decision--aimed at completing the military operations of the Lebanese invasion and subjugating the remainder of the Arab east and the Nile Valley politically, economically and culturally.

This political crime with far-reaching economic goals was committed under the complete control of the Israeli Army, armed, in particular, by the United States, completely financed by the Atlantic economic interests, and has had a sick religious fervor instilled in it over a long period by Zionist leaders. But the decision to commit the crime was not an emotional or impetuous one that crept into the mind of the Begin-Sharon-Eytan triumvirate. In order for us to understand it intellectually, and live with its political consequences, and to be satisfied with what happens after they are removed from their important government posts we must rather see that in the light of calm scientific analysis it was an essentially reasonable decision that the Israeli

Government made, with the knowledge and agreement of the U.S. administration. If this heinous crime had not been committed it would not have been possible to achieve the far-reaching economic goals from a new aggression against the Arab east.

These goals clearly stipulate that the PLO be treated as a terrorist organization outside the bounds of international law. The Palestinian revolution has been a long-lived mine in the path of Western economic interests in the Arab east and the Nile Valley. It would not have been possible for this revolution to continue unless it developed, and it could not have developed unless it became an Arab revolution. No Arab revolution could develop and become fulfilled unless it fulfilled its basic qualities. It knows that there is no conflict between economic and social interests, on one hand, and political and military interests, on the other hand. It has gradually eliminated the artificial distinction between a political solution and a military solution, and consequently the earlier artificial distinction between liberation and development. During its course of development it has become a general popular revolution against Western economic hegemony (a general hegemony) as much as it has opposed the Zionist colonial existence (a specific hegemony).

Thus, as far as Western economic interests are concerned it was reasonable and necessary to put a halt to this potential development if the West wanted to strengthen the structure of the existing international economic order in this area of the Third World after it had entered a general crisis that would have nearly demolished it completely. In order to attain this far-reaching economic goal it was reasonable and necessary to set in motion the primary Atlantic base in the ARab east after all of the political, psychological and economic elements in the region had been prepared, such as the severance of Egypt from the Arab nation, the Arabs preoccupation with demagoguery and factionalism, and OPEC's inability to use the oil weapon in the political battle. But inciting Israel to subjugate the Arab east would not have been possible given the complicated factors which govern the region's tangled structure unless Israel continued to relay on the principle of blitzkrieg to carry out the operation. It has been armed with more and more of the most modern tools of war from the last part of former President Jimmy Carter's term to today. It has been given all the financial guarantees necessary to support the shekel and the Israeli balance of payments. By logical necessity Israel's aggression against Lebanon was directed first toward the destruction of Tyre, secondly toward augmenting the Israeli Army's siege of Beirut by a ratio of no less than one to four, then intensifying the fire used to weaken the Palestinian resistance within Beirut, and finally intensifying the political efforts directed toward expelling them. All of these steps were necessary. Certain military observers have explained these actions as being nothing more than the literal application of the principle of blitzkrieg and spreading fear in the hearts of the enemy to convince him as quickly as possible of the necessity to throw down his weapons and surrender to the outcome of destiny. If the resistance left Beirut it would also be necessary and reasonable to commit this beastly massacre of women and children in particular, to convince them that the psychological victories of the resistance during the siege do not hold the meaning which the Palestinian women had understood when they began to nurse their babies and prepare them to join the

the fedayeen in the future. They wanted to convince them that Zionism, and the imperialism of the Atlantic alliance which supports it are serious about this business, as the English say. They departed, leaving the land to the new settlers. They spread fear among the rest of the Arab inhabitants in the hinterland, and they, too, became convinced that Israel and its masters in the West were serious about this business. They all have no other choice but to submit. This submission will force not only the surrender of the slaughtered Arab rights in Palestine, the Golan and southern Lebanon, and not only the giving up of Arab rifles used to wage holy war on behalf of these rights, but surrender of the entire Arab will, that has dared to confront the new system of truths by working to establish another economic-political-intellectual system that is more just, more free and more independent, and will make sure that this region will not side with people who have individual opinions or who have money, a system that is closer to what the new session of the United Nations has begun to discuss.

The economists from all over the world present at this session were content to stand in mourning for the Arab martyrs in Beirut. Then they went into closed session to analyze the causes and effects, as every self-respecting economist does. But Faruq al-Qaddumi's call at the meeting of ministers of foreign affairs for use in this matter of the economic weapon against the West, showed a better understanding of the role of economics in political processes than it did an understanding of the role of economics in politics. It was not strange that the majority of the ministers of foreign affairs rejected this proposal since they believed that it was essential to convince the United States Government to change from being content with promoting the social and economic interests which are useful. It was not strange that the meeting was torn by competitive bidding. It is just such political thinking which overcomes Arab leaders who have not read Ibn Khaldun and his theory that all civilizations are subject to the same natural laws. Perhaps they have not noticed the general destruction in the Arab east. Following the slaughter comes the game of peace.

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BRIEFS

PFLP OFFICIAL'S STATEMENT--Mustafa Abu 'Ali, deputy leader of the terrorist organization, the Popular Front for the Liberation of Palestine [PFLP], has stated that in the recent meeting the PLO leaders held in Damascus, several organizational and military decisions were made but not disclosed. Among these decisions is one on reorganizing the Palestinian organizations in Syria. He added that this decision stipulates that the members of the organizations will train in Syria and will use it as a base for carrying out operations against Israel. Mustafa Abu 'Ali added that the PFLP has decided to escalate the infiltration of its members into the West Bank and Gaza Strip to bolster what he termed the confrontation of the Israeli occupation. [Text] [JN062045 Jerusalem in Arabic to the Arab World 1530 GMT 4 Dec 82]

PALESTINIAN SOURCE ON TYRE OPERATION--Amman--A well-informed Palestinian source said yesterday that important details supported by documents, photographs, maps and irrefutable evidence about the Fedayeen responsibility for the operation that blew up the Israeli military governor's headquarters in Tyre a few weeks ago, will be announced soon. The source said that a violent political crisis in the Zionist entity would erupt and could result in the collapse of Begin's government and the expulsion of Defense Minister Ari'el Sharon once these details are revealed. The daring Fedayeen operation left well over 400 Israeli military personnel dead and wounded. It also aroused strong reactions against the leadership of the Zionist entity when Israeli papers reported that the Zionists killed in this operation had exceeded those killed in all the Israeli wars on the Lebanese border against the Palestinian resistance. [Excerpt] [JN011128 Amman AL-RA'Y in Arabic 1 Dec 82 pp 1, 16]

JORDAN EDUCATION POLICY PROTESTED--Sanctions were adopted in the Judaea and Samaria higher education institutes today against Jordan's education policy. Anti-Jordanian protest rallies were staged in the Hebron Politechnion and in the Qalandiyah teachers' seminar today. Our correspondent Pinhas 'Inbari reports that the educational institutes involved are those classified as higher level than high schools but lower than universities. The Jordanian Government has decided to require the same form of examination for the students in these institutes as that customary in Jordan. The students are opposed to this, claiming that the intention is to lower their grades.

Educators in the territories had tried to influence the Jordanian Government into canceling this examination, but failed in their efforts. [Text] [TA071917 Jerusalem Domestic Service in Hebrew 1900 GMT 7 Dec 82]

ARAFAT-HUSAYN AGREEMENT--The journalist Uri Avneri has said that King Husayn of Jordan has agreed to PLO leader Yasir 'Arafat's suggestion to position a symbolic force of the PLO in Judaea and Samaria if a Jordanian-Palestinian confederation is established. Avneri bases his remarks on talks he has held with senior PLO figures, including Khalid al-Hasan, 'Arafat's senior adviser. In an interview in the weekly (AL-'AWDA) which appears in East Jerusalem, Avneri says that Husayn made his agreement to this dependent on the PLO not harming Jordan's security. The interview also says that 'Arafat asked Husayn for the inhabitants of the Palestinian area to receive a Palestinian passport instead of the Jordanian ones they have at present, and that they should also have a separate parliament. 'Arafat agrees that the foreign service of Jordan and Palestine should be a common one. [Text] [TA251532 Jerusalem Domestic Service in Hebrew 1500 GMT 25 Nov 82]

PLO REPORTED FUNDING ISRAELI ARAB VILLAGES--Nazareth--Left-wing organizations in the U.S. and Western Europe which maintain relations with the PLO and Palestinian radical groups have resumed channelling funds to Arab villages inside the green line, officials dealing with Arab affairs in the north claimed yesterday. Officials said that in general Arab recipients of funds from abroad inform government agencies beforehand. When they do not, this is considered a sign that the real source of the money is the PLO and other Palestinian radical groups. The funds in question have now begun arriving without prior notice. Officials claimed that emissaries from abroad and local residents recently visited Arab villages in the north and offered scholarships to students and contributions to social activities in cultural clubs. They claimed the funds came from Christian institutions or charity organizations, and failed to mention that the PLO or Palestinian organizations are the true source of the contributions. Mk Ammon Linn (Alignment) has repeatedly charged that the PLO is funding Israeli Arabs to increase its political influence among them. Officials say that the flow of funds, transferred through foreign organizations and Jordan, and estimated to run into millions of dollars, stopped temporarily when the Lebanese war broke out last June. [Text] [TA290745 Jerusalem THE JERUSALEM POST in English 29 Nov 82 p 3]

TRAINING OF PLO FIGHTERS--Abu Mazin [Mahmud 'Abbas] Fatah Central Committee member, has announced that the Palestinian revolution fighters who are at present in the Arab countries will continue their military training in order to heighten their combat readiness. He added that they are always prepared to defend their stands and rights no matter how great the sacrifices will have to be. In a statement published in Damascus today, Brother Abu Mazin noted the moves that are being carried out by the PLO at the present time and said: The political and military lines go hand in hand and thus, the political struggle can only be a reflection of the armed struggle. [Text] [GF201740 San'a' Voice of Palestine in Arabic 1600 GMT 20 Nov 82]

PLO TO TRANSFER FIGHTERS FROM TUNIS, SUDAN--Kuwait, 20 Nov (QNA)--The Kuwaiti magazine AL-MAJALIS which is published in Beirut has said that the Fatah Central Committee and the movement's Revolutionary Council discussed during their recent meeting in Tunis the intensification of resistance inside the occupied territory. The magazine said that the meeting decided not to concede the legitimacy of Palestinian representation in any relationship with Jordan provided that the confederal relationship between the two sides takes place after the establishment of the state. It said that the Reagan peace plan was rejected on the Palestinian level and that it was decided to intensify the military presence in al-Biq'a' and northern Lebanon. It added that it was also decided to hold training programs for the Palestinian fighters who left Beirut for some of the Arab states and to transfer the fighters who are presently in Tunisia and Sudan to the YAR, the PDRY and Algeria. [Text] [GF201450 Doha QNA in Arabic 1245 GMT 20 Nov 82]

SAUDI RADIO COMMENTARY SCORED--In its commentary the day before yesterday, the Saudi radio urged the PLO to help Lebanon bring about the withdrawal of foreign forces from its lands. This appeal came after Lebanese President Amin al-Jumayyil's visit to Riyadh during which the various aspects of the Lebanese crisis were discussed. Saudi Arabia has simply adopted the ideas of the Lebanese authority. It also adopted its phrases when it described the Palestinian, Syrian and Israeli forces as foreign forces. With perverse logic this appeal depicted the Palestinian side as the main and sole obstacle hampering any solution to the Lebanese crisis. Saudi Arabia, like most other Arab states, has forgotten its duty to pressure Washington into forcing Israel to withdraw from Lebanon. It has also forgotten that it is supposed to practically support the Palestinian-Syrian stand in the face of the U.S.-Israeli plans which are aimed at turning Lebanon into an Israeli protectorate and at detaching it from its Arab affiliation. These actions, which stem from a state of impotence and subservience, will severely harm the Arab causes and contribute to the success of the aims of both the United States and Israel. What is required is that the Arab national forces and states should draw up a program of national action to defend themselves, their peoples and the Arab future. [Text] [JN220945 Jerusalem AL-SHA'B in Arabic 17 Nov 82 p 1]

JORDANIAN MANIFESTO IN WEST BANK REVISED--Under PLO pressure, Jordan has changed the text of a manifesto it is now circulating in Judaea and Samaria. Our correspondent Pinhas 'Inbari reports that about a month ago, Jordan began circulating a manifesto in the territories supporting a rapprochement between Jordan and the PLO and joining the peace process. The manifesto also mentioned UN Resolutions 242 and 338. PLO supporters objected to that text and the draft was returned to Amman. Over the last few days a new manifesto has reached Judaea and Samaria, from which definitely pro-Jordanian formulations have been struck out and the mention of the UN resolutions has also disappeared. The new text also emphasizes that the PLO is the sole legitimate representative of the Palestinians. [Text] [TA200912 Jerusalem Domestic Service in Hebrew 0900 GMT 20 Nov 82]

PLO'S BONN REPRESENTATIVE ON RECOGNIZING ISRAEL--Bonn, 22 Nov (DPA)--The PLO would be ready to "accept" Israel, according to the PLO representative in Bonn, Abdallah al-Ifranji, if Israel is ready to concede to the

Palestinians the right to its own state. In a (DEUTSCHE WELLE) radio interview on Monday, Al-Ifranji said that in the question of mutual recognition the "strong" side had to be ready to compromise: "The Israelis exist. The Israelis are members of the United Nations. They are recognized everywhere as a state, but the Palestinians are not." Al-Ifranji is opposed to a policy of "small steps" toward peace and instead spoke in favor of a large international Near East conference with the participation of the United States and the Soviet Union, as well as perhaps also France, Great Britain, other EEC countries and such states "which will later give guarantees for all those involved." Al-Ifranji asked the countries of the European Community to help the United States to change their direction toward recognizing the PLO. The PLO spokesman expressed the hope that the FRG would continue to develop its relations with the PLO. The PLO has become one of the most important political factors in the Near East. If Bonn wants peace in the Near East, then it has to talk with all parties, and "we are a party in this area." [Text] [LD221648 Hamburg DPA in German 1611 GMT 22 Nov 82]

ISRAEL TO RETURN DOCUMENTS TO LEBANON--Israel will return to Lebanon documents that were taken from the Institute for Palestinian Studies during the siege of Beirut. Israel's representative at the UNESCO headquarters in Paris, Judge Hadasa Benito, has said that these documents will be returned to a Lebanese Government representative, even though some of them call for the destruction of Israel. On the murders in Sabra and Shatila, she said that Israel's action in this matter is without parallel. Though Israeli hands did not spill that blood, a commission of inquiry was set up, and ministers, senior officials and officers have appeared for cross-examination in open sessions. Judge Benito stressed that we are doing this not so we will look good in the eyes of the international community, but to relieve our own consciences, because we consider human life sacred. [Text] [TA301542 Jerusalem Domestic Service in Hebrew 1500 GMT 30 Nov 82]

PLO AIDE CITED ON ISRAEL--The PLO "will never recognize Israel," Ibrahim al-Sus, PLO representative in France, said in Paris on the evening of Monday, 29 November during a stormy meeting attended by around 1,000 people in the Hall of the Mutualite to mark the international day of solidarity with the Palestinian people. Mr Al-Sus said that "the main condition is the creation of a Palestinian state." That state, he added, "will then decide whom it wishes to recognize." [Excerpt] [PM071311 Paris LE MONDE in French 1 Dec 82 p 6]

NEW FINANCIAL SERVICES FIRM--Within the next few weeks the Arab Financial Services Corporation, which has set up its headquarters in Abu Dhabi, will become a fully legal entity after it has completed preparation of the required public notices on which it is currently working. Sixty banks and Arab organizations will be shareholders. Among its most important goals are issuing and marketing traveler's checks in cooperation with Visa; issuing letters of credit; founding, buying or buying shares in Arab and foreign companies whose operations are compatible with its goals and operations; cooperation with Arab and international organizations to this end; acquiring and developing real estate; and various tourism investment operations. The statutes have set the company's declared capital at \$30 million, and subscribed capital at \$10 million, divided into 1 million shares. An official source in the Federation of Arab Banks said that the corporation's board of directors would hold its first meeting next October and the purpose of the meeting would be to set up the company's financial, administrative and executive organization charts. It should be noted that the Arab Banking Federation had rejected the company's idea to issue Arab traveler's checks which would compete with foreign checks. However, it later withdrew from the project for reasons that are still unclear. It held a meeting with the Visa Company which caused a dispute in Arab banking circles, particularly, because the agreement came at a time of fierce competition among foreign companies that issue checks and letters of credit to obtain shares of the Arab market. [Text] [Paris AL-MUSTAQBAL in Arabic No 294, 9 Oct 82 p 39] 9123

CSO: 4404/50

JORDAN

RADIO URGES ARABS TO AVOID ISRAELI HOSPITALS

TA041126 Jerusalem Domestic Service in Hebrew 0805 GMT 4 Dec 82

[Excerpt] Radio Jordan has recently broadcast several times a call to inhabitants of Judaea and Samaria not to use the medical treatment services of the Zionist medical center of Hadassah, on Mount Scopus. The radio's commentator suggests that the Arabs of East Jerusalem, Judaea and Samaria turn a large and empty hotel on Salah al-Din Street in East Jerusalem into a hospital, and not send patients to Hadassah Hospital, on Mount Scopus.

Everyone entering the Hadassah hospitals in 'En Kerem, especially the one on Mount Scopus, meets dozens of Arab patients from the territories who are receiving treatment in various wards. Politics, say the Hadassah Hospital doctors, still do not play a chief role in the sphere of health. The hundreds of Arabs coming for treatment at the Israeli hospital prefer this to complying with the Jordanian call. As is known, the local hospitals in the territories do not meet all medical needs.

Extremist elements view the stream of Arab patients to the Israeli hospital as a blow to the Jordanian and PLO struggle against Israel. Dr Shmu'el Pinhas, director of Hadassah Medical Association: [Begin recording]

[Pinhas] Our policy has always been to provide help to patients wherever they come from. Even before 1967, we saw patients from areas beyond the green line who came here by various paths; and we saw other patients too, from other Arab countries who also came here by various ways. Our policy, of course, remains the same. Any patient who turns to us, regardless of sex, religion, race, origin, and so on, received treatment, and in special cases, even those patients who are unable to pay for their hospitalization. We have a certain stratum of philanthropic patients, and they too receive treatment, the expense being paid by various sources.

CSO: 4400/110

JORDAN

BRIEFS

ROADS BEING PAVED NEAR BORDER--In addition to the new water well drillings currently being carried out by the Jordanians in the Shaqq al-Barid area, east of the Yarmuk, in the al-Hammah region, the Jordanians are also pre-occupied with accelerated paving of new roads along the Israeli border in this region. Increased movement of Jordanian soldiers is also noticeable in this region. From the al-Hammah region, within Israel's boundaries, one can observe the heavy engineering equipment paving a wide road that runs parallel to the Israeli border. The work is carried out quickly and significant progress is noticeable every day. Many Jordanian military vehicles are lately noted traveling on a road that runs parallel to the new road. Military elements told MA'ARIV that it is still difficult to know the significance of the increased Jordanian activity in the region. [Text] [TA021420 Tel Aviv MA'ARIV in Hebrew 2 Dec 82 p 2]

CSO: 4400/110

NATURE, IMPACT OF STOCK EXCHANGE CRASH DESCRIBED

Paris AL-MUSTAQBAL in Arabic No 298, 6 Nov 82 pp 12-15

[Article: "What Happened in the al-Manakh Market?"]

[Text] When Kuwaitis became divided between those who were saying that the al-Manakh Market was but another means for the government to distribute wealth, and those who were saying that the al-Manakh Market was going to ruin the commercial climate in Kuwait, the government intervened to save the Kuwaitis from disagreements and to save the market from collapsing.

When Kuwait first became independent in 1961, its amir at that time, the late 'Abdallah al-Salim, decided to build a modern nation in the Arab Gulf Area. In order to do this he called in experts from everywhere. Perhaps the most important and most significant thing which 'Abdallah al-Salim did was to provide independent Kuwait with a constitution which was worthy of a modern nation. When he found that there were not enough experts in Kuwait on constitutional matters, he sought the help of some of Egypt's high-level experts on constitutional matters. 'Abdallah al-Salim also decided that Kuwait should not be built and developed in a haphazard fashion. So, in those early days, he brought in to Kuwait an expert in city planning in order for him to plan the city [of Kuwait]. He did the same thing for the field of public health, and he also did the same thing for the army, police force, and for other vital facilities and government institutions. The result, of course, has been the achievements which Kuwait enjoys nowadays.

'Abdallah al-Salim also sought the help of many experts in economics. But in this case the difference was that he was not forced to totally depend upon foreign expertise. This was because he looked around and discovered that he had Shaykh Jabir al-Ahmad, one of the Arab world's greatest experts on business management. So Jabir al-Ahmad has been behind the "economic miracle" in Kuwait since its very beginning. He was the minister of petroleum, then the minister of finance, then he became prime minister and heir to the throne, and then he finally became the Amir of Kuwait. But when Jabir al-Ahmad still occupied a humble office in the Ministry of Finance building, Arab journalists in the early sixties were calling him the "Erhard of Kuwait."

Jabir al-Ahmad was both conservative and austere in his approach toward everything. This conservative approach was seen in his economic policy in

all fields. For example, he was the first person to give thought to the matter of having alternatives to oil as a source of income. So when he was minister of finance, he established a special apparatus which dealt with foreign investments. The real fruits of this policy were evidenced this year when it was shown that it has now become possible for Kuwait, in the future, to exist by means of its revenues from investments if its oil should dwindle or run out. Therefore when the al-Manakh Market crisis surfaced during the latter part of last summer, it was only natural that the Amir of Kuwait himself should be the one most sad about and most affected by this crisis. This is not only because he is the nation's ruler, but also--in particular--because of his past experience in the field of economics and because of his role in consolidating Kuwait's financial position.

This is also why Jabir al-Ahmad hastened to find a solution to the crisis--and the crisis was a matter which caused people in the government to tirelessly and continuously work night and day. What is the al-Manakh Market? What is the crisis which afflicted the market? Why did the crisis occur? How was the solution arrived at?

First of all--put very briefly and in very simplified terms--the al-Manakh Market is actually the real stock exchange for the nations of the Gulf area. Because of the conservative nature of Kuwait's economic policy and because of the laws which are applied by Kuwait's domestic stock exchange, Kuwait's businessmen were forced to seek out another stock market after the prices in the Kuwait Stock Exchange itself rose to very high levels and after it was no longer possible for these businessmen to establish more joint-stock companies.

In the meantime--after the skyrocketing of oil prices in 1973, and then after the crisis in the Lebanese financial market in 1975--Bahrain was transformed into a financial, banking, and business center. Especially important was the fact it became a center for the so-called "offshore banking units," that is, banks which are not subject to taxes in their [own] countries, enjoy the advantage of bank confidentiality, and have other advantages. Thus a type of bridge was established between the licenses granted by Bahrain and the business transactions which began to carried on in the al-Manakh Market. What followed was the gradual growth of this small stock market which is located in two floors of a parking garage building located in the commercial area [of the city of Kuwait]. Eventually the al-Manakh Market was to become nearly as large as the Kuwait Stock Exchange itself.

The government was at a loss as to what to do concerning the al-Manakh Market. It was wondering--should it allow the al-Manakh Market absolute freedom since, in any case, it was operating within the law, or should it move in and curb the market's activities, impose regulations on it, and thereby sacrifice some of the principles of a free economy?

Faced with this dilemma, the government decided to give the al-Manakh Market another chance, especially since it had come to involve a large number of the merchants who played a basic role in the Kuwaiti economy. However, a certain measure of anarchy began to afflict the market, and a certain measure of adventurousness and greed led to a great crisis in the

al-Manakh Market 3 years ago. As the Kuwaiti government usually does, it intervened, averted the crisis by pouring in its own capital, and prevented everyone from going bankrupt. This measure cost approximately 200 million Kuwaiti dinars, that is, \$550 million.

When the government did this, it believed that this would be the last such crisis. However, the market soon came to life again, and this new-found life, in most instances, began to assume incredible proportions. After it had been true that only a small number of merchants traded in the al-Manakh Market, this next time everyone in Kuwait--both men and women--began to grab what they could of the riches of the market. Talk about the al-Manakh Market dominated all other subjects of conversation in Kuwait. Last year there arose a cry against the effects on society which trading in the market had had. University students had abandoned their studies in order to speculate in the al-Manakh Market, and doctors had also left their practices in order to get rich quick. No one was content any longer to earn the profits received from normal business at a time when profits from trading in the al-Manakh Market were more than 100 percent, 200 percent, and sometimes even 500 percent.

More and more stories were being told about the al-Manakh Market, and some of these stories became legends. Kuwaitis became socially and politically divided concerning this great issue which had entered their daily lives and had entered everyone's home. Some of them were saying that the al-Manakh Market was another means which the government had to distribute wealth instead of having it distributed directly, as it usually did, by means of "[land] appraisal," that is, land acquisitions. Others were saying that the al-Manakh Market was ruining the traditional commercial atmosphere of Kuwait and creating bad habits, if not crises, in the country.

Perhaps the most outstanding report which has recently dealt with the crisis of the Kuwaiti al-Manakh Market has been the one published by the economic monthly AL-IQTISAD WA AL-A'MAL in its latest issue. After relating the story of the emergence of the al-Manakh Market and the events which accompanied its creation, AL-IQTISAD WA AL-A'MAL went on to describe the reasons for its collapse and the effects of the crisis:

"Doubts began to surface concerning the future of the al-Manakh Market when the market began to feel the pressure of three closely interwoven factors:

1. The Iraqi-Iranian war, and Iran's attempts to penetrate the Iraqi border and perhaps to advance southward toward a number of the other Gulf nations. The existence of apprehensions concerning this matter has not only led to a cessation in the flow of capital to Kuwait, but has also impelled a large number of investors to decrease the amount of liquidity which they had been maintaining in Kuwait and to transfer it to places abroad which are more secure.

2. In the domestic market, there was a decrease in the loans and credit provided by banks and there was a smaller flow of government capital into

the market, and this led to a liquidity crisis. This liquidity crisis impelled many speculators to refinance postdated checks which were maturing by means of writing new postdated checks. These new checks, however, involved exorbitant annual interest rates which often were from 200 to 300 percent.

3. The scope of those participating in the market broadened to the point where it included an ever-increasing number of inexperienced people who were doing business there. This was something which tended to decrease the level of confidence and trust which existed between those doing business in the market, and we must bear in mind that personal trust and confidence was a vital necessary condition for doing business via postdated checks. The reason for this is that the person who signs a postdated check depends upon the good will of the person who receives it, and in particular depends upon the latter not cashing the check before the check's maturity date." "All of these factors came together at one time and interacted with each other. In the final analysis they created an abnormal atmosphere within [Kuwait's] financial apparatus which finally led to a relatively broad-scale liquidity crisis. One thing which aggravated this situation of lack of liquidity was the fact that many speculators had basically reached the limits of what they were able to borrow from financial establishments in Kuwait or the other nations of the Gulf area. This crisis impelled some of the local investment companies to arrange joint loans for some of the speculators by means of striving to attract capital from small-scale savers by paying interest rates of up to 15 percent monthly [on their deposits] and by means of allowing minimum participation of 5,000 Kuwaiti dinars in joint loans."

"However, as soon as more postdated checks gradually began to mature, and a large number of speculators became unable to find new sources of capital--at any price--the only thing that was left for them to do was to simply declare that they were unable to cover the postdated checks that they had signed. This immediately caused a wave of anxiety among the speculators, and they rushed to the banks to cash the checks they had before their maturity dates, and this is something which is allowed by law. This then led to a collapse in the system of commercial exchange, the network of obligations, and the maturity dates which has been carefully scheduled for all of those who were dealing in the market."

"Along with the rapid decline in the prices of the shares, many speculators became unable to even liquidate their shares and utilize the value of the shares to cover the postdated checks that they had written."

Concerning the effects and repercussions of the crisis, AL-IQTISAD WA AL-'MAL said; "It is somewhat difficult to predict with any degree of certainty what the effects of the crisis will be on Kuwait and its financial system, in view of the fact that some time will have to pass before the long-term effects of this crisis become clear. However, the immediate effects and repercussions can be summed up as follows:

1. With regard to the domestic market, the crisis has led to a state of total paralysis in the commercial and financial markets because of the

fact that the al-Manakh Market has predominated, in a negative way, over all other economic activities.

2. The real estate market has experienced a sharp decline in prices and in its normal activity because many speculators were forced to sell their real estate property in order to obtain the liquidity necessary to honor their obligations.

3. The prices of shares have declined sharply in the official stock market. However, they have declined to an even greater degree in the al-Manakh Market, where, in the case of some shares, they have dropped more than 50 percent.

4. The primary market has totally stopped issuing bonds in Kuwaiti dinars and has postponed any new issues until the end of 1982, and in the secondary market for trading in bonds and securities activity has declined to the point where it is virtually negligible.

5. The crisis has created a state of financial insolvency for many individuals and establishments, and this is true not only for Kuwaiti individuals and establishments, but also for non-Kuwaiti individuals and establishments speculating in the market under Kuwaiti names.

6. The financial system has seen large-scale transactions involving transferring capital to places abroad.

7. There has been a decline in the use of checks between people dealing in the market in all financial transactions because there has been a decline in the factor of confidence involved. Transactions have come to be carried on only by means of cash and checks certified by banks, the supply of which cannot be freely disposed of in any case.

8. One of the most dangerous results of the al-Manakh crisis has been the severe damage to the reputation of some of the financial establishments which were heavily involved in discounting postdated checks and thus financing speculation transactions. One of the results of this has been that depositors have withdrawn large sums from these establishments and have redeposited this capital with other establishments in Kuwait which have maintained a better reputation.

9. In both regional and international terms, since a great many Gulf financial establishments were involved in the al-Manakh Market, much of the tension in the Kuwaiti market has affected some of the other local Gulf Markets and this has led to increasing concern and alarm on the part of the monetary authorities [in the other Gulf nations].

10. Although some of these monetary authorities forbid banks and financial establishments continued to discount these checks or to provide financial credit to speculators, and it is now turning out that these speculators are facing serious financial difficulties.

II. On account of this, a number of international banks have stopped granting any credit or loans to financial establishments which are known to have been heavily involved in the [al-Manakh] stock market." Not only was there a division along social lines, but also along class lines. When some newspapers were beginning to attack the al-Manakh phenomenon, Ahmad al-Jarallah, editor in chief of the newspaper AL-SIYASAH, took the position that those who were opposed to the al-Manakh Market represented the five richest and most influential families in the country and that the only thing which the al-Manakh Market had done was to make average citizens rich. This was true to a large extent. It was not only the merchants who benefited from the market. People in all sectors of the nation benefited from it. In fact, government employees began to join forces and undertake the establishment of their own companies, by means of which they dealt in the market. Once again the government had to stop and ask itself: Should the government intervene in a commercial market which receives its authorizations from abroad, or should it leave the situation alone and consequently run the risk of having a crisis afflict the market, whether it is the market's fault or not? At this point we must keep two things in mind. The first is that the Kuwaiti minister of finance, Mr 'Abd al-Latif al-Hamad, is one of the Arab world's most important experts in the field of economics. He turned down the position of general manager of the World Bank because the Kuwaiti government wanted him to be a minister in its cabinet. The second thing is that the minister of commerce, Mr Jasim al-Marzuq, is one of Kuwait's most outstanding personalities. In addition to this, he is one of the most experienced ministers in the cabinet and, ever since he entered government service 12 years ago, he has had the reputation of being both a man who is very practical and a man of high morals.

How could such a financial crisis take place with two such men around?

The fact is that Jasim al-Marzuq, the minister of commerce, was most responsible for the al-Manakh crisis. When the Kuwaiti parliament attacked the government because of this crisis, most of the representatives and people making speeches made a scapegoat out of Mr al-Marzuq. But the fact is that these representatives, who were seeking a scapegoat among the ranks of the ministers, also knew that Jasim al-Marzuq was not at all responsible for the crisis. In fact, it was quite the other way around, since it was he who repeatedly issued warnings in order to have the al-Manakh Market avert the crisis which later on afflicted it. In other words, the government was not at all responsible for the crisis except in the sense that it was morally responsible. When the al-Manakh Market was in its prime and everybody was rushing to share in its bounty, nobody said a thing about this matter.

The summer 1982 crisis, if it can be put this way, did not happen just by chance, as some of the representatives in the National Assembly would have it. The reason is that some people from outside this time played a major role in converting about \$100 billion--out of a total of about 26.84 billion Kuwaiti dinars--into a group of securities of very doubtful legality, with most of the large groups of shares being in fictitious companies which for the most part existed only on paper.

This time the game penetrated the market via the phenomenon of engaging in buying and selling by means of postdated checks which gave profits to the sellers amounting to more than 400 percent. Even the more humble citizens began mortgaging their homes or selling them at half price in return for cash in order to enter the market by means of [buying] a corresponding number of shares which they would then sell, for five times their original price, receiving in turn checks which were dated 1 year in the future. Their hope was that, with the arrival of the date of payment or receipt, they would recover the actual amount of the house within a period of 1 year, 2 years, or even 6 months, and would earn, in addition to this, profits worth two more houses. For example, a person would sell his house, which was worth 500,000 dinars, for 300,000 dinars worth of cash. With this money he would then buy shares and then sell them--receiving checks dated 1 year later--for amounts of money totalling 1.5 million, 2 million, or even 3 million dinars. However, what happened was that all he earned was the paper [which the checks were printed on]. The consequence was that some people sneaked several billion dinars abroad. Some of them bought whole cities, and others bought artificial islands. Still other began going on wild and heavy spending sprees.

While this was going on, the government did not intervene because Kuwait has a system of free commerce and the constitution guarantees to every citizen the right to engage in commerce. In addition to this, there is no law which prohibits transferring personal wealth or capital to places abroad.

Shaykh Sa'd al-'Abdallah al-Salim, heir to the throne, described what happened in the market as an effort made by a group of businessmen to earn quick profits, ignoring all of the practices that commerce in Kuwait has been based on. In a speech which he made on behalf of the government during the first working session held by the parliament, and which was devoted to discussing the crisis, Shaykh al-Salim told the representatives that the government, before issuing its Decree-Law Number 57 of 1982 concerning the transactions of selling shares in return for postdated checks, had attempted to solve the problem between opposing parties in an amicable fashion and in line with the customs and morals which have always guided Kuwaitis when solving their problems. He said that when this could not be achieved, the government then issued its decree.

As we know, this decree put a stop to people hauling each other into court and suing each other because of bad checks or checks with insufficient covering funds which has simply become worthless bills of exchange. This was done in order to provide an opportunity for the special committee set up by the decree, called the Clearing Committee, to then immediately register the number and amounts of the postdated checks used to pay for the al-Manakh Market shares. Then the government renewed the committee for an additional month in order that it speedily complete this task. During this same time period, an arbitration commission chaired by a judge was formed in order to issue rapid decisions which would serve to deal with any negative action which might be taken by any of the larg-scale businessmen or others involved in the crisis. No sooner had the Clearing Committee obtained initial

statistics which provided it with a knowledge of the details and scope of the crisis as well as the amounts of indebtedness and the names of the persons who owed other people more than hundreds of millions of dinars, when the Arbitration Commission issued its first decision--which prohibited the transfer or right to freely dispose of the property of eight persons, and there were no ministers or shaykhs among them. Those involved were average persons and people from commercial circles, with the exception of one representative and member of the National Assembly--Mr Hamud al-Jabri--who was also affected by the decision which prohibited individuals involved from travelling abroad. This was tantamount to total confiscation of the property and real estate of the eight persons involved, who later on were known as the "Knights of al-Manakh." Then initial reports revealed the fact that four of the eight persons concerned had engaged in transactions involving checks worth more than 11 billion dinars. Three of the remaining four were involved with sums of money worth about 5 billion dinars. The last of the eight persons, Representative al-Jabri, owed less than 200 million dinars, had already repaid about 300 million dinars in cash either before or during the crisis, and owed debts to others amounting to about 150 million dinars.

These measures uncovered the scope of the problem, and, for all practical purposes, the only solution was to wait and see the final statistics concerning the problem, which would be provided by the dossiers of the Clearing Committee, in order to know the bottom line concerning the size of the insolvency involved. It was necessary to do this in order to facilitate the task undertaken by the organization seeking to solve the problem involving determining which party would make the payments--although, in any case, the government is the most likely party to undertake this action since there is no one else who can.

With regard to the parliament, ever since the National Assembly's first session last 5 October the Amir of Kuwait has given definite assurances concerning several matters decided upon by the government. They concern the necessity of shackling the hands of the speculators who were the cause of the crisis and preserving the rights of Kuwait's citizens. Shaykh al-Salim, the heir to the throne, repeated these assurances twice during subsequent sessions which were devoted to the crisis. He refuted all of the rumors and talks that was going around concerning the fact that the government intended to conceal the names of some of the persons involved or else to protect them. Shaykh al-Salim told the National Assembly that the government wants to buy back Kuwait's reputation and eliminate any harm done to the national economy. He said that, in order to achieve this, the government would cooperate with the National Assembly in any step that would solve the problem and which would be within the bounds of the constitution as well as the customary practices and laws which would fully preserve the rights of Kuwait's citizens--especially the small businessmen who were enticed [into dealing in the al-Manakh Market] by means of making them believe in the possibility of earning huge profits via the forward trading system. During the same session the minister of finance reaffirmed the strength and firmness of the Kuwaiti economy. He said that Kuwait's economy does not derive its strength from the al-Manakh Market--which he described as nothing more

than a [passing] phenomenon which has no relation to the business investment establishments which exist both inside and outside the country. In defending the position of the government, the minister of commerce said that the al-Manakh Market was not an official market for dealing in securities, that it was not a licensed market, and that it existed within the framework of freedom of commerce, and that it consequently was not within the power of the ministry to intervene concerning the market.

The representatives were not convinced by these statements, and some of them persisted in blaming the government. After its third session the National Assembly entrusted the Legislative Committee with the task of examining the crisis from the standpoint of the decree-law issued by the government and the two draft laws submitted by representatives. These draft laws are totally in line with the government's orientation concerning solving the crisis, but there is a difference in their respective approaches to the solution. The two draft laws of the representatives are based on four principal points, which can be summed up as follows--the necessity of bringing suits to courts of law, having the solution stay within the bounds of the constitution, fully preserving the rights of citizens, and meting out strict punishments to speculators who caused the crisis.

During the intensive meetings held by the Legislative Committee, which had as guests prominent jurists in the government, university professors, and others who were involved and were following developments, the government came out with another plan which was of distinctive importance. It decided to establish a fund for the protection of small investors and for returning their money to them. This fund, on behalf of those in debt, will undertake to repay the amounts owed in the form of bonds which will mature consecutively up till 1987, and up to 1 million dinars for each person in debt. Thus, in practice, most of the problems has been solved. This decision was the culmination of the theses, opinions, and thoughts of the representatives which had been brought up by them during the three sessions, even though the government did not directly refer to this fact in the preamble of the plan.

So this is the way the government once again solved the crisis, and, as usual, it was at the expense of the government. Kuwaiti citizens are still insured from cradle to grave, as the UN studies say. Whatever economic crisis it might be possible to permit in any country in the world, Jabir al-Ahmad cannot permit a crisis of this sort to happen during his reign, nor does he wish to see the Kuwaiti crisis suffer a relapse.

So once again the markets of Kuwait are active, and even the al-Manakh Market itself has regained its spirit.

9468
CSO: 4404/100

PLO OFFICIAL PONDERS FUTURE RELATIONS WITH GOVERNMENT

London AL-HAWADITH in Arabic No 1357, 5 Nov 82 pp 77-78

[Interview with Tawfiq al-Safadi, chairman of the Higher Political Committee for Palestinians in Lebanon, by Zaki Shihab: "Tawfiq al-Safadi: Relations Between State and Lebanese Palestinians Are Good; We Have Reaffirmed That as Palestinians We Respect Lebanese Law and All Our Actions Will Be in Accordance With It"]

[Text] Tawfiq al-Safadi, chairman of the Higher Political Committee for Palestinians in Lebanon, has been appointed by PLO Executive Committee Chairman Yasir 'Arafat as charge d'affaires of the PLO office in Beirut until the return of Shafiq al-Hut, the organization director, to Beirut for the hand-over and takeover and for official accreditation with the government. Al-Hut had left Beirut during the Israeli invasion. There are urgent issues that al-Safadi is tackling with the [Lebanese Government officials] concerned. The most important of these issues are: Laying the bases for a clear-cut relationship between the two sides, meaning the Lebanese state and the organizations, and dealing with the new developments emerging in the wake of the Israeli invasion of Lebanon, especially developments concerning the future of the Palestinian presence in Lebanon and the vague fate of the camps.

Al-HAWADITH has conducted the following interview with al-Safadi:

[Question] What is the nature of the relationship binding you to the Lebanese state at present?

[Answer] Practically, during the Israeli invasion and prior to the departure of the PLO leadership from Lebanon, a four-member committee was formed to lead the Palestinian action and to manage the affairs of the brother refugees in Lebanon's camps and elsewhere.

At the outset, the Lebanese authority did not approve this format for several reasons, the most important being the onslaught that accompanied the Zionist invasion and, consequently, the absence of a clear and specific picture of the nature of future relations between the PLO and the Lebanese authority. But after the onslaught subsided somewhat and after the Lebanese authority assumed its tasks in the wake of the Israeli withdrawal from West Beirut, more than one meeting was held with the brothers in the authority. A meeting

was held with Prime Minister Shafiq al-Wazzan and two or three meetings were held with the Lebanese Army command. At those meetings, the difficulties and problems facing our Palestinian brothers in the camps and outside them were discussed, especially problems pertaining to arrests and the confiscation of property belonging to the PLO offices and the problem of the PLO office around which an army force was stationed (the force withdrew on the day following the discussions). This was in addition to stressing the need for the PLO establishments to continue their normal activity, especially the medical, social, cultural, unionist and production establishments, because all these establishments operate legally and in accordance with the legal restraints imposed on them.

During our contacts with the brother officials, we felt full acceptance on their part for these proposals. On the other hand, we received promises that the proposals would be discussed and that the proper formula would be established to deal with them.

[Question] Then what form do the pending problems take?

[Answer] The pending problems are embodied in the Palestinian presence as a whole because the picture is not yet clear insofar as the Palestinian presence is concerned. We felt this during the meetings when we asked the authorities concerned to permit the reconstruction and rebuilding of the camps so that shelter could be provided for thousands of our people who have ended up with no shelter and no housing as a result of the invasion and of the brutally barbaric shelling to which these camps were exposed.

All that we have been able to achieve since President Amin al-Jumayyil's return from his tour abroad is that we will meet with Lebanese Government officials to determine the nature of the relationship that will arise in the future between the PLO and the Lebanese state. We are waiting for pending issues to be discussed so that we can know what is the natural course for our relations with the Lebanese Government. We, as we have already stressed in more than one meeting, respect Lebanese law and respect Lebanese sovereignty and all our movements will be in accordance with what is required under Lebanese law.

[Question] Do you have a definite picture regarding the future of the camps, especially since this future is still vague?

[Answer] There are many rumors regarding the camps. I say rumors because nothing has been confirmed yet. There is talk of the possibility of moving the camps to sites other than those they presently occupy. There are also statements that the camps will remain where they are.

Things are not yet clear. This is why we have stressed the need for these issues to be clarified and for the state to draw up a clear-cut plan. We hope that the Lebanese Government will permit us to start, through UNRWA, the repair and reconstruction operation in order to accommodate our brothers, especially since the winter has already set in.

[Question] Have you felt a certain atmosphere during your talks with the state within this framework?

[Answer] As I have already said, the picture is not yet clear, not to us or to the Lebanese Government. All we have felt is goodwill and good intentions insofar as dealing with the Palestinian conditions in the camps is concerned. We became certain of this during the meeting that Prime Minister al-Wazzan held with the general director of the Palestinian Refugee Affairs Directorate, with Yusuf Sabra, director of the prime minister's office and with Shafiq Shatila. At the outset of his discussion with them, the prime minister stressed the need to offer the necessary facilities to the Palestinian refugees on pending issues concerning this directorate because, as we know, the General Directorate for Palestinian Refugee Affairs is the authority concerned with dealing with and tackling the daily affairs of the Palestinians living in Lebanon.

We have expressed complete satisfaction with these intentions and these instructions. We hope that the regime will, as we have known it to do, accord the Palestinians treatment befitting man's dignity by protecting their property and their liberties within the bounds of the law.

[Question] Before the presence of the Palestinian resistance in Lebanon, the relationship between the Refugee Affairs Directorate and the Palestinians was conducted through UNRWA. During the presence of the resistance, this relationship was conducted through the PLO. What is the formula that will be applied now?

[Answer] Practically, there have been three establishments tending the affairs of the Palestinians. The first is the General Directorate for Palestinian Refugee Affairs as representative of the host country and the second is UNRWA, since it was created in 1950 and assumed its tasks from the International Red Cross in 1948. This establishment, meaning UNRWA, has been entrusted with offering all kinds of living, medical and educational services. As for the PLO, it was not at all involved as were these two establishments. But in view of the fact that UNRWA was expressing every year its financial inability to continue to offer the educational and noneducational services and aid because the international contributions could not meet requirements, the PLO had to assume a role in this regard, especially since the Palestinian refugees in Lebanon and elsewhere consider, and this is certainly correct, the PLO the sole legitimate representative of the Palestinian people. Therefore, as a Palestinian citizen, I find it the duty of this organization, which is the sole organization representing me legitimately, to offer the aid asked of it and to shoulder some responsibilities, as a result of the deficit in UNRWA's budget, either by increasing academic grants or by offering the camps some services. As you know, during the period in which UNRWA was announcing its constant deficits and was terminating many of the services and facilities it had been offering, we allocated a number of modest budgets for every camp in Lebanon to meet their urgent water and electricity needs and to carry out maintenance work for UNRWA establishments existing in the camps controlled by UNRWA, especially schools, either by doing the repair work needed by these schools or by

providing what they needed to make them schools in the precise scientific sense of the word.

This is why we did not wish to contribute to letting UNRWA abandon the responsibilities entrusted to it. But as I have said, national responsibilities dictated that we offer such aid. This does not necessarily mean that we replaced UNRWA. Our contributions were tantamount to what was required of us toward our sons in the camps, especially since there are, as we have already stated, plans that seek to control decisions concerning the aid advanced by the UNRWA to the Palestinian refugees, meaning that these plans are tied to a political tendency. Pressures are being exerted on us as a Palestinian people and we have felt these pressures in meetings with the officials supervising Palestinian affairs in the host countries.

[Question] What is the nature of the pressures being exerted?

[Answer] These pressures are embodied in statements concerning the intensifying deficit in the budget--a deficit that has grown recently to reach \$50 million. There is also the intimation at the end of each fiscal year that education in the UNRWA schools will be abolished as other services, such as food rations, have been abolished, and that the medical services will be reduced. There is also the intimation that the schools will be closed and the teachers dismissed. It is no secret that tens of thousands of our children are in these schools and that hundreds of teachers work in them.

The constant intimation and the messages sent to us for the purpose of putting the organization in the new climate of operation under a constant financial deficit on the part of UNRWA have been tantamount to daily pressure and urgent apprehension. It is no secret that our battle is a cultural battle. This is why we have always tried to find out the premeditated objective behind the abolition of these schools, behind throwing our students into the streets and behind allowing illiteracy to infiltrate the ranks of our people.

We have had several meetings with the [UNRWA] general commissioner in Vienna and we have expressed these concerns. But we do not feel that an imminent solution will be found to this financial problem. There have been numerous proposals and there have been several projections on involving the PLO or letting it ask the Arab host countries, especially the oil-producing countries, and the EEC countries to increase their contributions to financing UNRWA so that it will be able to carry out its tasks in full. But despite our constant contacts with the parties that might have an influence in funding UNRWA and in reducing its deficit, it is our assessment that our efforts will not succeed. There has been a request by UNRWA that the PLO address an official message to the host Arab countries asking them to give the UNRWA commissioner general the opportunity to meet the number one official in each Arab country and asking each country to advance the aid needed to make up for the existing deficit.

MINISTER DISCUSSES FUEL PRICE RISES, ENERGY CONSERVATION

Rabat LE DEMOCRATE in French 14 Nov 82 pp 6-7

[Interview with Moussa Saadi, minister of energy and mining; author, time and place of interview not specified]

[Text] As you know, fuel prices have risen since 10 November. According to the energy and mining minister himself, the ensuing press commentaries appear to be concerned only with "the tip of the iceberg." Moussa Saadi requested an exclusive interview, to examine the question in depth.

LE DEMOCRATE: How do you justify the rise in fuel prices?

Moussa Saadi: There are several reasons for the increase. The main reason is the increased price of oil on the international market, due both to the rise in producers' prices and the explosion of the price of the dollar. Let's not forget, in fact, that the dollar rose 35 percent in two years, which caused our petroleum bill to increase by the same proportion in two years.

Our concern is to ensure that the country is resupplied with energy--and this is the department of energy and mining's chief concern. When the price of oil is increased, if consumer prices do not rise as a consequence, a deficit is produced. At such a time the oil companies are selling their products at a loss. Under those conditions they can't support the situation for very long.

This has cascading repercussions with regard to our refineries and the oil we import and have to pay for in foreign currency--and immediately. The deficit is 1 billion DH [dirhams] per year and it has not been made up in over 12 months. I would add that the last increase, in October 1981, recouped only a part of the deficit that existed at that time. Under those conditions the deficit has grown, as I said, to 100 billion centimes per year. The deficit had to be made up through intervention by the Compensation Fund. But the Fund no longer makes a profit, as it did in the past, on oil products to partially finance the subsidies on basic food products. And the amounts that had to be financed by the Compensation Fund had become enormous.

The problem for my department is, above all, to assure the country of a normal supply. Especially when the regulation now in effect imposes on us a contingency reserve for about two and a half months. When we lack the means to make

up the deficit, we draw from the contingency reserve, but in no case can we go below a minimum threshold.

So you see, the fuel price hikes the public sees are merely the tip of the iceberg. In fact there are profound reasons, such as the security of the country's energy supply.

In spite of everything, the government has insisted on accounting for the special constraints imposed on some socio-economic sectors, such as agriculture, fishing and industry. On the other hand, the government has taken care to see that this rise does not affect products consumed by the less privileged classes, butane gas in particular. I remind you that the price of butane gas has been frozen for over two years.

As for the increases in diesel oil, which affects agriculture, they are very much reduced, and the same is true for industry. With regard to industry, we are studying a special rate-fixing system with a rebate for the most vital sectors, pumping in agriculture and certain industries that are very sensitive to high fuel prices.

Even the increases that have just occurred are still moderate: they are between 5.6 and 7.5 percent. And they only enable the state to recoup one quarter of the deficit. The remainder is to be financed by new resources that the state must find. Maybe these are half measures, but several elements would have to be taken into account: in fact, the country's supply would have to be ensured and the situation at the Compensation Fund would have to be partially improved, without making things difficult for the key sectors of the economy.

LE DEMOCRATE: What significant measures are being taken to further reduce oil imports?

Moussa Saadi: As far as energy savings are concerned, the campaign launched in 1979 yielded very good results. In relation to consumption forecasts at the time, which were around 9 percent annual increase, today we have just .5 percent. In precise numbers, and to give you an idea of the savings realized in this way, we saved 2 million tons of oil, or about 3 billion DH, in the three years 1980-1982.

Those significant savings were made possible by concerted action in several sectors: promoting the use of coal, rationalizing the use of domestic and industrial energy, etc. And the measures currently under way--such as converting the Mohammedia power plant to coal--are going to lead to still more savings, on the order of 500,000 tons per year. We also have to add the use of our own national energy, such as the gas at Meskala. On the other hand, we are thinking of building a gas power plant in the Essaouira region.

Toward National Action to Save Energy

LE DEMOCRATE: The public seems to see only other aspects, such as the use of vehicles and lighting, which they don't believe bring about energy saving.

Moussa Saadi: As far as vehicles are concerned, the figures do show that we have been successful, not only in checking the increase in gasoline, but also in making it fall back. Moreover, gasoline consumption represents a mere 8 percent of the total energy consumption.

While we are pursuing a policy of conservation in those two sectors, it is chiefly in energy for industrial use that we have to achieve the most significant savings. This is what we have begun to do and it is what we must continue to do. We must not forget, in fact, that the industrial and transportation sectors are the ones that consume the most energy: about 70 percent of the national consumption. And if 10 percent saving is realized there, then that will be an appreciable figure and a significant reduction in our oil bill.

On the Energy Board, the cell that was established in 1979 is going to be strengthened and it is going to become a division. Its mission will be to propose--along with the departments concerned, especially industry and agriculture--new ways of saving in the industrial and transportation sectors.

The Energy and Mining Ministry's communique of three days ago urges all citizens to participate actively in this national energy-saving action. In that connection I can tell you that a number of measures that have been under discussion at the National Energy Commission for a long time have been recommended to the ministerial departments concerned. Among those measures I can cite:

- limiting driving speed to 80 km per hour;
- encouraging urban and interurban public transportation;
- encouraging coastal navigation;
- encouraging the use of "two-wheeled" vehicles (bicycles and motorcycles);
- forbidding importation of big-engine automobiles;
- energy-saving measures in the industrial sector;
- development of reforestation;
- adoption of GMT [Greenwich Mean Time = Standard Time] + 1 permanently, and GMT + 2 in the summer period.

Having said that, we have to evaluate the advantages and inconveniences of the envisaged measures every time they are under consideration, because some measures may not give rise to very significant savings and may be very inconvenient. For example, public lighting can be restricted (it amounts to 2 percent of our total consumption), but that may have other consequences affecting the safety of the citizens. This is why our energy-saving policy involves a total approach on everyone's part, which will assure our country of less energy dependence in the long run.

SAUDI ARABIA

PRINCE SULTAN ON GULF DEFENSE, LEBANON

LD041012 Riyadh Domestic Service in Arabic 0400 GMT 4 Dec 82

[Text] His Royal Highness Sultan ibn 'Abd al-Aziz second deputy chairman of the Council of Ministers and minister of defense and aviation, stressed that the Gulf defense plans are based on states bolstering self-strength to defend themselves and to realize this strength. He mentioned that there are specialists for this purpose. In an interview with Monte Carlo Radio, broadcast last night, he affirmed that the responsibility for the security of the Gulf is the responsibility of its countries. He explained that the posture of the kingdom is to keep the region away from the big powers disputes. He mentioned that it is not in the interests of the Gulf nor in the interests of the big powers themselves to have their quarrels entering the Gulf or its territorial waters.

Prince Sultan in reply to a question on the Arab authority for industrialization, declared that there is a new study of the matter. He said that the private sector probably will participate in this matter. He mentioned that the unification and matching of the weapons system among the countries of the GCC is needed. As for the sources of weapons it is best to diversify. This is what the kingdom has done and has been doing for some time. He added that with regard to the Gulf countries it is a matter that will be possible through cooperation and cohesion.

Prince Sultan called for the invading Israeli forces to withdraw from Lebanon. He explained that there is a difference between the Israeli forces which destroyed Lebanese towns, shed blood and destroyed values and between the Palestinian brethren and the Syrian forces who entered Lebanon after a Lebanese request and a joint Arab agreement. He added that the subject of the withdrawal of Syrian forces and [word indistinct] is a matter for the Lebanese people and government. He mentioned that the kingdom's material support for Lebanon to rebuild it is a matter demanded by Arab fraternity and the affection and esteem we have for Lebanon.

However, these aids should be decided upon and organized after the withdrawal of the Israeli forces. He explained that it is difficult to extend aid to Lebanon at present with the Israeli forces which occupy the large part of its territory presently because any aid will be taken as an excuse by Israel

to destroy this aid. This means that we would be offering Israel an easy morsel to take revenge on the Arab nation. He welcomed the agreement of all the Lebanese forces to the Lebanese leadership and he expressed his hope that this accord will continue.

Prince Sultan called for an end to the Iraqi-Iranian war. He said that the states of the GCC have called for the war to be stopped and to resort to peaceful means to settle the dispute. He pointed out that the present notable efforts by the kingdom in this matter come within the framework of the agreement of the GCC states and also the Fes summit conference.

Regarding the reported federal and confederal union between Jordan and the PLO [as heard] Prince Sultan said that the kingdom blesses every endeavor agreed by the Palestinians with the brethren in Jordan to realize the legitimate Palestinian right. He stressed that the kingdom always seeks the well-being of the Palestinians and them being granted their legitimate rights and the establishment of their estates.

At the end of his interview he praised Saudi-French relations. He mentioned that they are distinguished and equal relations and the cooperation between the two countries is progressing from good to better.

CSO: 4400/114

SAUDI ARABIA

INFORMATION MINISTER WELCOMES REAGAN'S INITIATIVE

LD082034 Riyadh Domestic Service in Arabic 2000 GMT 4 Dec 82

[Text] His Excellency the Minister of Information Dr Mohammad 'Abduh Yamani has said that the kingdom, like other Arab countries is not happy with Britain's refusal to receive the Arab 7-member committee "but we still hope that Britain will reconsider its attitude regarding this matter." His excellency said in a statement to REUTER, which was distributed today, that the Arabs do not request Britain to change its policy but they simply want the British Government to hear the Arab cause and this is a just demand. His excellency expressed optimism at the way in which the committee was received in Washington, Moscow and Beijing. He added that the kingdom hopes peace will be achieved in the Middle East and in particular after the Arabs declared clearly and loudly at the Fes summit that they want peace.

Concerning the initiative of U.S. President Ronald Reagan on the Middle East, his excellency said the Arab countries appreciate every action by any individual to consolidate the idea of peace. As regards the Iraqi-Iranian war, his excellency said the continuation of this war constitutes a threat to the entire region and we do not see solutions to it at present unless the Iranians respond to the call for peace. His excellency praised Iraq's response to the various peace initiatives.

Concerning oil, Dr Yamani said the kingdom will defend the current price of crude oil. He confirmed that the kingdom has no financial problems despite its declining oil production due to the falling oil demand. His excellency expressed the hope that conditions in the oil market will improve very soon.

CSO: 4400/114

SAUDI ARABIA

INFORMATION MINISTER ON MIDEAST PEACE, WAR, OIL

CF091658 Doha QNA in Arabic 1415 GMT 9 Dec 82

[Text] Riyadh, 9 Dec (QNA)--Saudi Information Minister Dr Muhammad 'Abduh Yamani has expressed his country's hope that peace will be established in the Middle East "now that the Arabs clearly announced in the Fes summit that they want peace."

In a statement to Riyadh Radio broadcast today, the Saudi minister expressed satisfaction over the way the seven-man committee, which sprang from the Fes summit, was received during its visits to Washington, Moscow and Beijing.

Dr Yamani stressed that Saudi Arabia, like other Arab countries, is not satisfied over Britain's refusal to receive the seven-member committee. However, he said that the Arab countries still hope that Britain will reconsider its stand on this issue. He said that the Arab countries do not want Britain to change its policy but want it simply to listen to the Arab cause "and this is a just demand."

On U.S. President Reagan's Middle East initiative, Dr Yamani said that the Arab countries appreciate every action made by any party to support the idea of peace.

Regarding the Iraqi-Iranian war, the Saudi minister warned that the continuation of this war constitutes a threat to the entire region. He said: "We do not see any solution to it at present unless Iran responds to the call for peace." In this respect, he praised the response which Iraq showed toward various calls for peace.

On the oil question, Dr Yamani said that Saudi Arabia will defend the current crude price, stressing that his country does not face any financial problems despite the fact that its oil production has dropped due to the drop in the demand for oil.

The Saudi information minister expressed the hope that the international oil situation will improve soon.

CSO: 4400/114

SAUDI ARABIA

PAPER URGES USSR TO FORM NEW MIDEAST STRATEGY

LD041042 Riyadh SPA in Arabic 0500 GMT 4 Dec 82

[From the press review]

[Excerpts] Riyadh, 4 Dec (SPA)--AL-JAZIRAH calls on the new Soviet leadership to reconsider its old strategy with strength and courage and to build a new Middle East strategy which responds to the needs of the Soviet Union itself to establish strong and balanced relations with the Arab countries and at the same time which responds to the aspirations of the Arab states for effective and positive support from the Soviet Union for their political and military struggle for their prime fateful cause, the cause of the usurped territories and rights.

The paper in its editorial on the occasion of the visit of the seven-member Arab delegation to Moscow says it is time to put an end to what has been described by Washington and other world capitals as the Soviet perplexed role in the Middle East and to outline a clearer more effective and more active role by Moscow in the region which would restore Arab and international confidence in it.

AL-JAZIRAH stresses that it is not in the interests of world peace and security for one major power to singularly take up an effective role in dealing with the hot regional and world issues such as the Middle East dispute between the Arabs and Israel. It says that the competition that the Arabs and all that the peoples of the Third World want among the major powers is a competition to maintain security and peace and to apply the principles of right and justice in settling serious disputes.

The paper also calls on the big powers, including the Soviet Union, to realize that their old strategy based on serving their own personal interests at the expense of the interests of the small peoples and countries, has been exposed and is below the level of the comprehension and intelligence of the peoples of the [word indistinct] world in general and the Arab world in particular.

'UKAZ denounces the continuing U.S. support for the Israeli enemy. In its editorial about the U.S. Senate Foreign Aid Committee's approval for the increase in aid to Israel by \$475 million this year, it says that this confirms the doubts about the sincerity of U.S. endeavors to establish a just and comprehensive peace in the Middle East. The paper calls on the U.S. Administration to use the aid weapon correctly.

It says that the Israeli invasion of Lebanon and the brutal aggression waged by Israel against the Lebanese and Palestinian peoples, the massacres of the Sabra and Shatilah camps and the expansion of the Israeli settlement policy in the West Bank are events which call for economic sanctions to be imposed on Israel and not for increasing aid to it the way the United States is doing.

CSO: 4400/114

RIYADH CALLS FOR POSITIVE RESPONSE FROM IRAN

GF081824 Riyadh Domestic Service in Arabic 1130 GMT 8 Dec 82

[Jasir 'Abd al-'Aziz al-Jasir news analysis]

[Text] Iraq has reiterated its willingness to end the war with Iran and to solve the differences between them through peaceful means. This Iraqi desire came in response to the calls and contacts which pave the way for a new international move aimed at ending the Iraqi-Iranian war that has been going on for over 27 months. The new Iraqi announcement constitutes a good initiative which stressed again the flexibility of the Iraqi stance, its desire to forge peace and to end the bloodshed which has resulted from this war which was imposed by the Iranian regime through its suspicious actions and its insistence on interfering in the internal affairs of Iraq.

Now, after reports are being circulated about a number of Arab delegations undertaking visits to Tehran and Baghdad to convince the officials there to respond to the Islamic proposals which call for the immediate ending of this war--and after the Iraqi reaction has been an expression of its desire and positive response to the Islamic calls which call for reaching a settlement to this war which has entered its third year--the rulers of Tehran are asked to announce their positive response to the Islamic requests and to demonstrate flexibility in their dealings with the delegations which are getting ready to leave for Tehran.

The Iranian regime shoulders moral responsibility since it is the side that created this war through its practices and suspicious actions and insistence on poking its nose in other's affairs. This regime is the side that obstructed and undermined all previous mediation efforts which were undertaken by many international, Islamic and Arab sides. This has been realized by all those who have followed the stages of the Iraqi-Iranian war.

What is requested from the Iranian regime--in light of this dual responsibility--is to announce its readiness to respond positively to the Islamic desire in ending the war and in taking part in negotiations that lead to solving the differences that were created by the strange stances and the abnormal practices of this suspicious regime.

CSO: 4400/114

SAUDI ARABIA

RIYADH COMMENTATOR ON POLICY CHANGES

GF091608 Riyadh Domestic Service in Arabic 1130 GMT 9 Dec 82

[Hashim 'Abduh Hashim news analysis]

[Text] The confirmation by the regent, His Highness 'Abdallah ibn 'Abd al-'Aziz, that the kingdom has no intention of introducing any change to the mode of its policies or foreign relations, affirms the fact that the kingdom establishes its policies and stands on a basis that cannot be changed, colored, or varied as a consequence of emergency events and that it does not accept its efforts for the sake of the nation to be advantageously exploited or misconstrued. For this sake, Prince 'Abdallah ibn 'Abd al-'Aziz' confirmation was clear and specific and showed a number of facts:

1. The kingdom does not intend, definitely for the timebeing, to introduce any changes to its general policies.
2. The kingdom, under the rule of firm stands, does not find itself at the present stage obliged to establish any relations because this will create a new situation which might not serve the current Arab situation or might diminish the chance of intensive action intended to make all foreign powers reconsider their policies and stands on the region.
3. The kingdom is always desirous to create the best chances for any serious steps taken to achieve Arab rights; that is why it does not prefer to resort to any tactical policy inasmuch as it prefers others to understand the importance of the situation and of the need to motivate themselves and achieve a qualitative progress that serves peace and stability in the region and creates chances for a just settlement in it.
4. However, this country knows very well that it stands and active policies will surely be met with complete understanding, true responses and appropriate moves that will encourage us all in our current efforts to continue, as long as they are able to achieve the just demands of our peoples and countries.

Nevertheless, other parties have to understand that the Arab nation has exerted too much effort and done too much and that is why it expects too much in return and if nothing comes from these efforts, our countries and peoples--

and we in the vanguard--will choose the way that suits us and restore our rights. We are countries which have sovereignty and peoples who have independent will. When we find that there are some who do not respect our sovereignty or will, we will not accept the stagnation of the process of positive action to restore our full rights.

From this basis, the possibility of studying any plan for future cooperation with any country, as his highness the regent said, will remain open, particularly if there is a conviction that this cooperation will serve the Arab and Islamic nation and will take into consideration its rights, sovereignty and heritage.

Do the superpowers understand this? This is what we hope and this is what we are trying to make them understand during the next stage.

CSO: 4400/114

SAUDI ARABIA

'RIYADH' COMMENTS ON ARAB COMMITTEE'S MOSCOW VISIT

LD041254 Riyadh Domestic Service in Arabic 1130 GMT 4 Dec 82

[Political analysis by Jasir 'Abd al-'Aziz al-Jasir]

[Text] By its visit to Moscow, the seven-member Arab committee has completed a major part of its task in the international field explaining and following up on the implementation of the Fes summit resolutions and the other proposals put forward for the establishment of peace in the Middle East and the settlement of the Palestine question which is the main cause of the conflict in the region.

The committee began its work by visiting the United States, one of the responsible parties involved in finding such a solution, for numerous well-known considerations. However the USSR, too, has its important role in this regard though for different reasons. Both the United States and the USSR are the two superpowers in the world. Hence the role of each of them in finding the required solution must complement each other provided that pressures and solutions dictated by the self-interests of the superpowers are kept away, thus making their roles balance roles.

Undoubtedly, the USSR is a superpower which even the United States itself fears. But its role in finding a solution to the Palestine question in the past has been engulfed by some indifference and lack of clarity, contrary to what was expected. However, now that Arab and international efforts have become active and plans embodying solutions have been put forward in addition to the changes that took place in Moscow, the USSR is required to play its role in a manner compatible with its international position.

It is for this reason that the seven-member Arab committee has not overlooked the Soviet role and indeed worked for it. It attaches great hopes to that role. This was affirmed by the Soviet information media themselves when they said that a realistic opportunity has developed for joint Arab-Soviet action to establish peace in the Middle East after the Arab League's committee had delineated the broad lines for peace in the region.

In this context, the Soviet information media spoke of the Soviet peace proposals put forward by the late Soviet President Leonid Brezhnev. They said that these proposals are in line with the unified Arab peace plan adopted at the Fes summit conference.

This affirmation constantly made by the Soviet information media and further affirmed in the statement issued at the end of the committee's visit to Moscow underscore what we said earlier about the importance of roles and efforts complementing each other.

A real opportunity has now presented itself for the adoption of intensive and coordinated measures with a view to establishing a genuine peace in the region as an extension of the Soviet role which, as we have said, should be prominent and influential in the solution--a matter which the Soviet negotiators tried to affirm in practice to members of the Arab committee by calling for speeding up the holding of an international conference on the Middle East to be attended by all the parties concerned including the PLO, the sole legitimate representative of the Palestine people.

In the opinion of observers, this Soviet call affirms that the Soviets have actually begun to move in the required direction. This is because the Soviet presence at such a conference will have a great importance and effect.

Though the Soviet support for the Arab cause in the past did not go beyond lip service, it is time for that lip service to be followed now by an effective practical role particularly as the Arab countries, represented by their seven-member committee, have called for this so that there will be a balance between the international roles in finding a solution for the crisis now that for the first time, the signs of a peaceful solution for the Middle East crisis become apparent.

CSO: 4400/114

SAUDI ARABIA

'RIYADH' COMMENTS ON RELATIONS WITH OTHER STATES

LD051624 Riyadh Domestic Service in Arabic 1130 GMT 5 Dec 82

[Text] The Kingdom of Saudi Arabia has always been clear in its policy and its stands, and has never resorted to the course of circumvention or maneuvers because of its conviction that political action that is balanced, beneficial and fruitful to the nation and its causes should be conducted openly, without hiding, bargaining or forming pressures through it. When it agreed to take part in the committee of seven visits to certain world capitals and to hold dialogues with their leaderships, it did so from a feeling of joint Arab responsibility and a sincere desire for this nation to arrive at a practical formula for solving the area's problems and issues. Our role within the framework of this committee and (?under) an Arab policy trusted by all, has been, is and will continue to be the role of a responsible partner, of a party concerned with achieving the supreme objectives of the nation.

Here in the Kingdom of Saudi Arabia we feel that negative stands should be discontinued. Some obstacles may appear which will dictate such negative stands, but let there be no doubt that the objective we are seeking to achieve is greater, more important than (?any justification) for retreat and isolation. However, while we undertake this role within the framework of fruitful work to provide the necessary impetus for the efforts and endeavors aimed at establishing stability in the area, we did not ignore the ("inherited") facts, nor did we sacrifice one achievement on account of another. We also realize that open dealing with all parties for the sake of the Arab nation should be parallel and equal to the nature of the historic responsibility undertaken by the kingdom toward the Islamic nation, especially when its first premise is Islam, and the heavenly faith is the axis upon which it depends. Moreover, we weigh things in our dealing with others and calculate every step we intend to make. We are not keen on making new gains (?at the expense) of existing dealings, interests and gains. We do not drop from our calculation the principle of dealing with all, provided that others understand this policy, respect it and deal with us on its basis.

As we have said more than once, the Kingdom of Saudi Arabia has nothing to hide and there is nothing to prevent it from widening the circle of its dealings with other countries when circumstances and national and pan-Arab interests require it to do so. Partners must realize that they should deal with other

states and peoples by taking into account their reality, interests, commitments, heritage and aspirations and not through their own interests. We refuse to interfere in existing international conflicts which are raging in more than one area of the world. We condemn the superpowers' interventions in the affairs of other states and peoples. We denounce all patterns of unbalanced cooperation.

The Kingdom of Saudi Arabia, which is accustomed to opening its heart to every possibility that will serve this nation, has not and will not hesitate to take any step that will achieve this objective.

CSO: 400/114

SAUDI ARABIA

'RIYADH' ON ARAB, U.S. MIDEAST POLICIES

LD061614 Riyadh Domestic Service in Arabic 1130 GMT 6 Dec 82

[Hashim Abduh Hashim commentary]

[Text] Is there a close link between the current tour of the Arab delegation to the Soviet Union and to People's China and the U.S. Administration recalling its Middle East representative Philip Habib? It is a question which appears to be actually justifiable. It has emerged that the seven-member committee has achieved progress in its talks in both Moscow and Beijing beyond expectations. The Soviet Union, which has felt that the Arabs in recent years have shied away from it, has found in this visit, especially with the change of Soviet political leadership, an opportunity to stress its interest in the region's issues and its desire for further bilateral meetings to discuss the new bases for future expanded cooperation. Meanwhile, Beijing has manifested greater readiness to stand by the side of Arab rights in the hope that this support will encourage the countries of the region to establish further ties and links to serve relations between China and the Arabs, and will, from the Chinese point of view and aspirations, make them do without the two big powers, the U.S. and the Soviet Union.

This has occurred at a time when American efforts to settle peripheral issues stemming from the main issue, including the Lebanese issue, are being confronted by an Israeli intransigence likely to threaten to weaken the role of the American mediator and, moreover, undermine the important role that the United States has adopted and is still fulfilling on the level of the issue as a whole.

It is not unlikely that recalling envoy Philip Habib to Washington is a prelude for more serious American steps in the coming weeks, especially since the entry of the Soviets, the Chinese and the French as parties to strengthening the desire for peace in the region could speed up this American step desirous of retaining the American role in its full vitality and of continuing with the policy of exclusively offering suitable solutions for the problems of the region.

As we have stated more than once, the Arabs' only concern is for their problems to be justly and honorably settled, because they cannot wait much longer and can no more accept a step-by-step policy, as had happened and is happening until now. The question of peace and stability are indivisible and cannot

continue for long within the framework of bartering, because the international community, more than at any previous time, has become a partner in searching for an objective solution. To this end such an orientation against the American administration, if it is sincere, will save the slow efforts from deterioration in the current stage. Otherwise, the course chosen by the Arab countries in the Fes summit and which they are now working to realize and crystallize will ensure the reaching of Arab rights through other channels. However, although we now hold this new card, after the increasing international sympathy for our issues, we still prefer that matters run in their normal channels providing that the element of seriousness and speed is made available to them and that the desire to achieve practical steps on the path of peace, which must realize justice and nothing else, are made available.

It is immaterial whether the success of the current Arab tour is behind Washington's recalling the American envoy, or whether the reason for it is something else; no Arab state is prepared to accept the Israeli challenges or the limited American pressures made until now.

It is for the good of the countries and the peoples of the region that the two sides, the Arab and the American, work in the direction which serves the stability of the region. However, this should be in the light of a fairer American posture, and one which comprehends the size of the danger, if such qualitative progress in the real peace steps in the region are not realized.

CSO: 4400/114

SAUDI ARABIA

DAILY ON ARAB REACTION TO BRITISH STANCE

PM071019 Jidda 'UKAZ in Arabic 29 Nov 82 p 1

["Exclusive" report: "Arab and International Reaction to Cancelation of Arab Committee's Visit to Britain"]

[Excerpts] The Arab capitals have received with satisfaction the cancelation of the visit of the Arab committee stemming from the Fes summit conference to Britain because of the latter's refusal to receive a PLO representative as part of the delegation.

In Riyadh informed sources told 'UKAZ that the Saudi officials expressed astonishment at the British attitude because early contacts had given the impression that Britain would very likely adopt a responsible position, respect Arab rights and acknowledge the role of the PLO.

Moroccan sources said that the committee proceed did not with the visit because it did not want any power to be encouraged by Arab tolerance to exploit the Arab interest in peace. [As received]

In a telephone conversation with our correspondent Muhammad Mahjub from Jidda, [Arab League Secretary General] Chedli Klibi said that the decision to cancel the seven-member committee's visit to Britain reflected a unified Arab stand. He added that the decision was taken in coordination and consultation with all the members.

This decision, Klibi said, will not prevent the committee from continuing its work. He added that the committee will go to Moscow on Sunday and will be headed by King Husayn of Jordan, and will then proceed to Beijing.

Klibi emphasized that the committee is determined to continue its efforts in all directions in order to establish as much common ground as possible with the U.S. Government, which has the most means of influencing the policies of the Israeli enemy.

Answering a question about Arab reaction to the British attitude and the possibility of taking effective Arab measures, Klibi said: It is premature to talk about such measures now.

From the contacts held by its correspondents Badr al-'Abbasi and Sami al-Muhanna from Jidda with other Arab sources, 'UKAZ has learned that an Arab meeting at foreign minister level will be held soon to discuss ample and practical means of dealing with such negative attitudes. The conference will discuss the results of the meetings of the seven-member committee after its return from Beijing, decide what should be done in the next phase and make recommendations which could possibly include a call for an urgent Arab summit conference.

Meanwhile, PLO representative in the kingdom Rafiq an-Natshah has told our correspondent Muhammad Mahjub that he resented the British attitude and was of the opinion that the Arab leaders would not be content with just the decision to cancel the committee's visit to Britain. He affirmed that the only language understood by states which behave like Britain is the language of interests. Such states, he maintained, will not change their position unless they feel that their interests in the Arab world are threatened.

He also told 'UKAZ that Britain is more responsible than any other European state for the calamities of the Palestinian people.

CSO: 4400/114

SAUDI ARABIA

DAILY CRITICIZES REAGAN'S POLICIES

PM071511 Riyadh AL-RIYAD in Arabic 4 Dec 82 p 5

[Mahir 'Abd al-Rahman article: "Reagan's Policies Between Reality and the Media"]

[Excerpts] When Reagan became President of the United States we read so much about his peace plans--which constituted part of his election campaign against his rivals--and about the new economic program with which he was going to solve the problem of inflation in the United States and the free world. We also read about his security program and the reforms he had in mind for Latin America and the Middle East.

So what have we seen and what has become of all this and of all that we read about Reagan and his good will toward the world? Nothing but the opposite. Everything we heard about Reagan's programs and his serious preparations was nothing more than enthusiasm and imagination. Reagan's world economic program, about which we read and heard so much, has only internationalized the economic crisis and carried its dangers to the rest of the world, to countries once considered safe.

Reagan's security program, about which we heard and read far too much with reference to Latin America and the Middle East, has shown that Reagan's way of resolving a crisis is limited to backing and helping the governments in one region or another destroy opposition forces. The unsuccessful governments in Chile, Argentina and El Salvador have been supported and supplied with the most advanced military hardware for us in coercive and repressive measures against opposition parties and organizations to bring them under control and leave their countries under U.S. domination.

In the Middle East support has been given to the repeated Zionist aggressions against the Arab countries and the Palestinian revolution, which was besieged and had its fighters scattered in several countries away from the occupied territory. Israel has been supported economically and militarily in destroying the civilian refugee camps in Lebanon and anyone who opposed the United States, Reagan, and their interests in the region.

We heard and read much about Reagan and we pinned much hope on him because the Western media, as well as our own media, portrayed him to us as a savior who would end the world's misery. After all this, we might read and hear a lot but we will believe the opposite. Arab collective action is the real source of strength.

CSO: 4400/114

COMMENTATOR BLAMES JUNBLATT ASSASSINATION ATTEMPT ON ISRAEL

LD021834 Riyadh Domestic Service in Arabic 1130 GMT 2 Dec 82

['Ali 'Abdallah al-Mani commentary]

[Text] Yesterday's attempted assassination of Walid Junblatt, leader of the Lebanese Progressive Party, surprised no one. Junblatt himself was not surprised. He said as much to the official Lebanese Radio. The sinful Zionist hands, which reach out in the dark to transform peaceful Lebanon into an arena of fighting, destruction and terrorism, are aware that any rapprochement among the political leaders of that Arab country will not serve the Zionist objectives in Lebanon in particular and in the Arab region in general. As soon as these treacherous hands became aware that the Lebanese factions were about to agree to stop the bloody clashes in Ash-shuf and Al-Jabal, they moved to undermine these efforts through the attempted assassination of Walid Junblatt, who had met the leader of the Lebanese Front, Camille Sham'un, in the presence of the President Amin al-Jumayyil. The three had agreed to hold a meeting today at the presidential palace to be attended by representatives of Lebanese parties and political forces to discuss the critical situation in Al-Jabal and to put an end to the clashes which the Zionist invasion forces have been trying to intensify.

The explosion of the booby-trapped car was aimed not so much at Junblatt as at stoking the fires of sedition in Lebanon. This, in turn, would cause the path of national harmony in Lebanon to reach a dead end, perhaps for a long time. This is what the Israeli enemy wants to achieve so as to enable it to stay in Lebanon for a long time.

The Phalangist militia immediately condemned this criminal act, as a result of which 6 people were killed and 37 wounded, and described it as a repulsive deed aimed at instigating sedition in Lebanon. In any case, it aimed at ripping Lebanon to pieces and at preparing the climate for the implementation of the Zionist schemes to swallow more Arab land and spread the destructive fires of sedition along the length and breadth of the Arab region.

Observers believe that despite all the conspiracies hatched by the Israeli enemy in Lebanon--arming members of some Lebanese sects and instigating one against the other, organizing kidnappings and killings among the various

sects--the sons of the sects in Ash-Shuf and Al-Jabal have demonstrated an awareness of the devious Zionist role. Only a few frustrated people who do not realize the true purpose behind the enemy's encouragement of sectarian conflicts in Lebanon have fallen into their laps.

However, it is certain that this abortive attempt on the Lebanese Progressive Party leader's life will not be the last against political leaders in Lebanon. The enemy, which did not hesitate to kill former Lebanese President Bashir al-Jumayyil when it perceived his [words indistinct] and lack of response to carrying out Zionist ambitions in Lebanon, will not hesitate to kill anyone it feels is taking a line contradictory to its wishes and expansionist objectives, whether they are officials or ordinary citizens.

CSO: 4400/114

SAUDI ARABIA

COMMENTATOR ON SUPPORT OF PALESTINIAN CAUSE

GF301914 Riyadh Domestic Service in Arabic 1130 GMT 30 Nov 82

[Hashim Abduh Hashim commentary]

[Text] Once again, why is the kingdom moving in all directions and why is it strongly and persistently resisting Israel's expansionist ambitions? Why is it trying to polarize the international society for the interest of the just cause of the Palestinian people? Are the great countries expecting the countries of the Arab region--foremost of which the Saudi Arabia--to yield to Israel's transgressions and accept its expansionist policy? These questions which were answered by His Majesty King Fahd and the Crown Prince 'Abdallah ibn 'Abd al-'Aziz before the world are a new affirmation that the stance of this country is to continue its efforts for the primary Arab cause and for restoration of the Palestinian people's rights.

In his message to the chairman of the Palestinian people's rights committee, his majesty consecrated the Saudi determination to support the Palestinian people in the restoration and practicing of their legal rights, including return to their homeland, the right to self-determination and to establish their state on their national homeland. In accordance with this, we are resisting and will continue to resist Israel's insolent practices, to unveil its hostile methods to the world, to lay the responsibility on the great countries which are assisting it and to take measures that serve our goals and correspond to the nation's determination to strongly resist all challenges.

Yes, the barbaric methods that Israel practiced and is still practicing against the Palestinian people and Lebanese people, sometimes by occupation, other times by invasion and instigation of discord and agitation in the national sphere, are rejected by the Arabs as well as internationally and will be resisted relentlessly by the Arabs. Have these methods not also compelled the Arabs to adopt stances to maintain their dignity, the security of their nation and restore all their rights--even though it may seem at times that these measures produced negative results and were ineffective. The loss that this nation has suffered is unequal. Why is this so?

His majesty has put forth three points to ensure stability in the region and the world. They are the following: 1) Israeli withdrawal from all Arab

territories that it has forcefully occupied, foremost of which is Arab Jerusalem; 2) the ability of the Palestinian people to practice their full rights for self-determination, independence and sovereignty; and 3) the desire to find a just and honorable solution for the Palestinian cause in accordance with the principles of the 12th Fes summit.

It is true that this nation has not closed any doors or ruled out any efforts that could be made to establish a just, comprehensive and complete peace in the region. However, the truth is that nobody can obligate the nation to choose a path other than the one it has chosen and was approved by its leaderships. Thus, any thoughts or efforts remain acceptable within the framework of the loyal Arab desire to find an honorable solution. This clear and possible framework was adopted and incorporated in Saudi Arabia's policy and it stems from its stable policy and stances. Thus, any move we make in any direction will be for Arab rights and a desire to accomplish the supreme aims of the nation. That is why we are not effected by any reaction that might oppose any move we make which we believe serves this nation in the end, because we believe in our efforts and we are confident that right thinking people understand what we are doing.

As the crown prince stated, this country primarily aims to work for the interest of the Palestinian cause in the international arena and moves on the basis of our stable stance of supporting the Palestinian cause through the united Arab stance. Within this framework, our moves do not aim to impose our opinions on anyone, as his highness stated to the cabinet, but we believe that it is our right and duty to clarify our stances and views on issues which touch our fate and interests, while being convinced that all understand the truth of what we want and what we are aiming for.

Time will affirm the truth of one who endeavors for the supreme interest and moves openly or none who works in the dark and allows the enemies to further violate the rights of this nation and its security.

CSO: 4400/114

SAUDI ARABIA

RIYADH COMMENTATOR ON PLO CENTRAL COUNCIL MEETING

CF261434 Riyadh Domestic Service in Arabic 1130 GMT 26 Nov 82

[Hasim 'Abduh Hashim commentary]

[Text] The course of Palestinian action during the upcoming stage has been confirmed in the recent meeting of the PLO Central Council. This meeting comes after the events in Beirut and following the distribution of the Palestinian military power to various Arab countries. The meeting also comes following a series of Arab and Palestinian moves aimed to bolster the positive role of the PLO in the minds of the world's countries after Israel has been so anxious to create a different impression in the world that the PLO has practically been destroyed, that the Palestinian struggle has been stopped for good and that the Palestinian forces have been completely annihilated.

It is certain that Mr Yasir 'Arafat--in view of these moves--and the Arab leaders have succeeded by pursuing the question particularly in the wake of the Fes summit resolutions in proving to the world that Israel is deluded, that the Palestinian force has been strengthened and that the Palestinian struggle has expanded and become a fierce political struggle where it used to be a military struggle only.

There is no doubt too that moving in all arenas through two powers, the power of political action and the power of military steadfastness, has put Israel in a predicament when it felt that its entrance into Lebanon will not achieve any practical results. On the contrary it gave new dimensions to the Palestinian struggle and exposed Israel's true position as a destructive power that has no interest in peace and that does not work for its reinforcement.

With the support of Arabs, all Arabs, the Palestinian power has become effective and able to effect wide changes in world public opinion even if this proceeds slowly due to the emptiness of the arena except for the presence of Israel. Thus, the Palestinian leaderships that have met in view of these facts, realize the size of the gains that were achieved by the Palestinian revolution since the events in Beirut.

Foremost among these achievements is that the United States, which is the greatest supporter and associate of Israel, has felt that the Palestinian question is the essence of the solution, has recognized openly the legitimate rights of the Palestinian people and has proposed negotiable concepts on

the future of these people. Whether these concepts are mostly or partly positive, the step in itself--with regard to the timing--could not have been achieved if the U.S. Administration had not accepted these rights under Arab pressure, in the face of the steadfastness of the Palestinian resistance in Lebanon and after changing the mentality that used to work against the march of peace in the region due to the presence of former U.S. Secretary of State Alexander Haig.

These positive concepts should not be disregarded because what has been achieved is not simple, neither is it a passing result as much as being a basic conception that crystallized in view of the presence of new factors. Add to this the Fes summit and what it achieved as a joint Arab effort is considered one of the advantages of the new Palestinian concept of the nature of this stage and of the sincere desire to achieve the rights through available channels too. It is certain that the positive move, with all its accomplishments so far, will be the pattern for the upcoming stage because it has given rise to all these results and because Israel has so far lost many supporters and sympathizers.

There is no doubt that the Palestinian leaderships have been able to reach decisions that may enhance Arab efforts during the next stage.

CSO: 4400/114

SAUDI ARABIA

PRESS BLAMES AL-QADHDHAFI FOR OAU SUMMIT FAILURE

LD281030 Riyadh SPA in Arabic 0600 GMT 28 Nov 82

[Press review]

[Text] Riyadh, 28 Nov (SPA)--AL-JAZIRAH and AL-YAWM have dealt with the failure of the 19th African summit to convene in Libya as a result of the practices of the Libyan regime.

AL-JAZIRAH writes: Al-Qadhdhafi, as is usual of him to be oblivious of his mistakes and of his political course which calls for continued mutiny and inciting insurgency and trouble in the Third World, did not dare to apply self-criticism to himself to admit that this is the first and last reason for the collapse suffered by the latest conference of the African organization, especially in Tripoli, and for the deep cracks that have appeared in its structure which have led to that unity to be torn apart, unity which has been one of its strongest gains since it was established 19 years ago.

The paper adds: The African states' rejection of the political and nonpolitical practices of Al-Qadhdhafi in Africa have made him a real threat to the future of freedom and national sovereignty in Africa and have made him a real enemy to African unity, hence he has become in the eyes of the vast majority of the sons of Africa unworthy of confidence and subsequently does not deserve to be at the head of the OAU.

AL-YAWM expresses its regret for the failure of the African summit to convene and for the consequences of this for future African unity. It says that despite the failure which some leaders are experiencing at present and despite their awful downfall and the repeated defeats to their personalities, they are unconcerned and follow their wrong path. Here is Libya's colonel having all these characteristics, singing about them, and forgetting or pretending to forget that failure haunts him as his shadow, when the African summit conference has twice failed to convene in Tripoli.

Under the headline "The British Stance and the Continuing Plot" AL-NADWAH deals with the British Government's stance in refusing to receive a PLO representative within the delegation of the seven-member Arab committee. The paper reviews Britain's part in the destitution of the Palestinian people and in the giving of their land to the Jews. It says that London's justification

for refusing to receive a representative of the organization was a flimsy cover which does not conceal the weakness of the British Government and is submissiveness to pressures and stances of the other side.

The paper adds: The British stance can be explained only in the light of the stance of Mitterrand and France toward the seven-member committee as a form of mute subservience to those who have raised the banner of no dialogue with the organization until it recognizes Israel, a slogan which is Zionist in origin and aim.

The paper adds: The British stance will not harm the Palestinian question, it exposes the Western mentality which deals with the Middle East through the concept of selfish interests as being a sphere for exploitation and colonization without considering the unnumerable crimes of the vestiges of old colonialism, foremost the Palestine question in which Britain in particular bears the prime criminal responsibility.

CSO: 4400/114

SAUDI ARABIA

BRIEFS

ISRAELI CANAL PLAN--The kingdom has warned against the Israeli enemy's plan to dig a canal between the Mediterranean and the Dead Sea because of the grave damage that will be inflicted on the occupied Palestinian territories and Jordan. It also described this project as the most recent chain in the series of Israeli aggressive acts. Salih al-Anbari, the kingdom's representative at the UN General Assembly Political Committee, said in a speech to the committee yesterday that by digging this canal, the Zionist entity wants to achieve financial advantages and to reconfirm its control of the occupied Palestinian territories, thus challenging the international community's resolutions. Al-Anbari called on the UN General Assembly Political Committee to put the draft resolution, which was proposed by the kingdom, Iraq, Jordan, the YAR and Pakistan yesterday and which calls on Israel to immediately give up the plan to dig the canal. The committee is scheduled to vote on the draft resolution next week. [Text] [GF091328 Riyadh Domestic Service in Arabic 1130 GMT 9 Dec 82]

COST OF LIVING--Muhammad Aba al-Khayl, minister of finance and national economy, reported to King Fahd ibn 'Abd al-'Aziz on the reports prepared for the ministry by the Department of General Statistics on the index for the cost of living during the third quarter of the current year 1982. The reports noted that the general index for the cost of living during this period has increased by a very small percentage, while it has dropped when compared to the same period last year by 1 percent. These figures reflect the stability of prices in the kingdom and the tendency toward price decreases due to an adequate supply of goods and services and the government's programs for loans and assistance, in addition to the decrease of inflation in the industrial countries from which the kingdom imports its basic needs, due to the economic policies adopted by these countries in the past period. [Text] [GF071548 Jidda Domestic Service in Arabic 1400 GMT 7 Dec 82]

AL-QADHDAFI, ISRAELI ROLE IN AFRICA--Riyadh, 7 Dec (SPA)--A Saudi newspaper today condemned what it called Libyan leader Mu'ammar al-Qadhdhafi and Israeli's joint subversive role in Africa. AL-JAZIRAH, published here, deplored Al-Qadhdhafi's failure on two occasions in less than three months to convene the Organisation of African Unity (OAU) summit in Tripoli. The paper accused Al-Qadhdhafi of plotting to undermine the authority of ruling government in Chad in view of its direct party responsible for the failure of the summit after Chad had unveiled Al-Qadhdhafi before other African states. The paper said Al-Qadhdhafi was "preparing an army of mercenaries on Libyan soil to invade Chad." The paper noted that Al-Qadhdhafi's preparations for this

invasion "reminded us of another similar Israeli invasion of the African state of Zaire." It said Israeli Foreign Minister Ariel Sharon's recent visit to Zaire was an "attempt to restore Israel's ties with African states." The paper accuses Al-Qadhdhafi of adopting political methods similar in line with those of Israeli leaders in Africa and said "both the Tel Aviv and Tripoli regimes are factors of dissension and differences among African states." [From the press review] [Text] [LD071444 Riyadh SPA in English 1331 GMT 7 Dec 82]

CRUDE OIL OUTPUT DOWN--Saudi Arabia's crude oil daily production stood at about seven million barrels during the first half of 1982, according to official release in Riyadh. The Saudi Arabian Monetary Agency said the reduction was 30 percent below the level of the first half of 1981. [Text] [GF070548 Manama GULF DAILY NEWS in English 7 Dec 82 p 2]

FATAH REPRESENTATIVE'S STATEMENT--Rafiq al-Natshah, Fatah representative in the kingdom, described the PLO chairman Yasir 'Arafat's visit to the kingdom as a chance to exchange views with the brothers in the kingdom, foremost of who His Highness Crown Prince 'Abdallah ibn 'Abd al-'Aziz and Prince Sultan ibn 'Abd al-'Aziz, second deputy prime minister, minister of defense and aviation and general inspector, on the latest developments regarding the Palestinian cause and the situation in the Middle East and Lebanon. In a statement to SPA, Al-Natshah stated that 'Arafat's negotiations dealt with the results of the seven-member committee activities after its visits to Moscow and Beijing. On behalf of 'Arafat he conveyed the Palestinian people's appreciation of His Majesty King Fahd ibn 'Abd al-'Aziz, his royal highness the crown prince and Saudi's role in defending and caring for the rights of the Palestinian people. Al-Natshah expressed his pride in the dedicated feelings of the Saudi people toward the Palestinian revolution and their firm stance with it. He also expressed his confidence toward the future and affirmed the insistence of everyone to continue to march until the liberation of land and restoration of usurped rights to the legitimate owners. [Text] [GF071518 Riyadh Domestic Service in Arabic 1130 GMT 7 Dec 82]

PLO STATEMENT REFLECTS 'MODERATION'--Riyadh, 28 Nov (SPA)--Meanwhile the Jidda-based 'UKAZ hailed the six-point statement issued by the Palestine Central Council in Damascus last Friday and underlined the importance of coordination between the Palestinian diplomatic moves and the Palestinian commando action. The paper also noted the council's call to Egypt to return to the Arab fold since its isolation had a (?negative) impact on the Arab solidarity. It said the council's statement reflected a "rational moderation in the Palestinian policy both at Arab and international levels. Moreover, the council's deliberations have shown the Palestinian leaders determination to place political option as a main channel for their diplomatic (?move without) ruling out other options as long as Israel does not respond positively to international moves and plans seeking a fair and comprehensive solution to the Palestine question," the paper added. [Text] [LD281330 Riyadh SPA in English GMT 28 Nov 82]

CALL FOR SOVIET MIDEAST PARTICIPATION--Manama, 3 Dec (WAKH)--Saudi paper 'UKAZ has called on the Soviet Union to participate--out of realization of its international responsibilities and not out of private interests of a super-power--to solve the issues of the Arab and Gulf area in addition to seriously participating in (?ending) the threats to this area. The paper added that the Arab committee is not just satisfied with promoting the Arab peace plan--which represents the solution on which the Arab leaders agreed in order to end the Arab-Israeli dispute and establish a Palestinian state under PLO leadership--but also exchanges views on the other peace (?initiatives) which have been formulated by other countries that are concerned with peace and stability in the Middle East region. The paper indicated that there are no differences regarding the general principles which are included in all the peace initiatives which have been formulated, and added that the basic issue is the credibility of execution and the sincere intentions for peace. Concluding the paper editorially expressed hope that the visit of the seven-member committee to Moscow will be the beginning of the turning over of a new leaf in the field of constructive cooperation to establish regional and international peace. [Excerpt] [GF040816 Manama WAKH in Arabic 0650 GMT 3 Dec 82]

CSO: 4400/114

SYRIA

NATION DETERMINED TO THWART REAGAN PLAN

PM091403 Damascus AL-BA'TH in Arabic 2 Dec 82 p 1

[Chief Editor Turki Saqr article: "Their Golden Opportunity and the Arabs' Lost Opportunity"]

[excerpts] Many moves are now underway in the area, and together with these moves there is much advice and counseling. Stands adopted in the past are being renounced today and pledges and promises of yesterday are being flouted today. Many meetings and consultations are taking place so as to give time for the new U.S.-Zionist concoction to cook on a slow fire and so that the Arab masses will, as a result, grow dizzy and accept anything that might surface.

So as not [to] be accused of failing memory, we go back a little to when we heard former U.S. National Security Adviser Brzezinski saying when he was in office that the Arabs must say goodbye to Arab nationalism.

And once again so as not to be accused of forgetfulness we go back a little to before the Zionist invasion of Lebanon, to see then Secretary of State Alexander Haig saying clearly in the course of analyzing the Middle East situation that this was the U.S. golden opportunity. Shortly afterward the Zionist invasion of Lebanon took place and the links of the American conspiratorial chain began emerging one by one and establishing political facts in the area through this invasion.

Briefly, the U.S. administration summed up some of what it wants in the area through the Reagan plan. Immediately afterward voices were heard in more than one place, particularly on the part of Washington agents, saying that this was the Arabs' opportunity, which they should not miss. With great deception the mouthpieces of the reactionary Arab regimes tried to impress on the Arab mind that the new U.S. plan was an unrepeatable opportunity that must be seized and was the only opportunity for solving the problems of the area.

Of course, those advocating the American opportunity are echoing with Brzezinski and Haig said previously. More precisely, they are partners in trying to implement their reactionary program against Arab cause goadly. In fact, they are "Brzezinski's" mouthpiece operating following Washington's will.

This is the U.S. opportunity which they want the Arab mind to accept as being a lifetime opportunity that Washington has given to the Arab nation. What is strange is that U.S. agents and surrogates are promoting the idea that there is no solution and no choice for the Arabs other than accepting this opportunity and quickly, as if the problems of peoples can all be summed up in one single opportunity provided by the killers of peoples themselves.

For all these reasons we are not surprised that all the attempts now being made are directed toward achieving the following:

First, to besiege and contain Syria, to try to show it as if it had been isolated and concentrate pressure on it so as to affect its decision, since Syria is the only country in the Arab homeland which is still opposing the plan and saying no to the Washington capitulationist opportunity. It is not surprising therefore that conspiracies against it are being intensified and that calculations are being made to deal a punishing military blow to it in the near future.

Second, to divide the Palestinian ranks and attract a section of them to join those who are shamelessly advocating Washington's opportunity in more than one Arab capital and participating not only in realizing the U.S. opportunity in the area but also in fragmenting the PLO and enabling Israel to reap the political fruits of its military invasion, according to the plans it has drawn up with the Pentagon.

Third, to force the Lebanese authorities to accept the Israeli security arrangements and the terms Tel Aviv is dictating in order to control Lebanon and conclude peace agreements with Israel. This was evident in the linking of the Lebanese problem with the Middle East problem and the stirring up of strife and fighting among the Lebanese, as well as in the act of inciting the Lebanese authorities against the Syrian forces to make it look as if the problem now revolves only around the Syrian presence.

It is in this light that we can understand the background of the current intensive movements in the Arab arena. Which shows how serious the attempts are to divide the Palestinian ranks under various titles and pretexts, all of which in the end serve the opportunity that Haig expected before.

We in Syria are proud, and our resolve becomes stronger when it is said that we are a stumbling block in the face of the U.S. opportunity. We will exert all our efforts in order to thwart this opportunity and prevent its materialization, because in our view it represents the essence of the strong U.S.-Zionist desire to kill the Arab people's will for liberation and salvation.

CSO: 4400/116

SYRIA

DAMASCUS RADIO ON U.S. CENTRAL MILITARY COMMAND

JN091841 Damascus Domestic Service in Arabic 1230 GMT 9 Dec 82

[From "On the Events" program]

[Text] U.S. Defense Department sources said that a central military command has been formed to protect U.S. interests in southwest Asia in an area extending from Egypt to Pakistan. Further details are in the following report:

Before the announcement of the formation of the new command, the Arab region witnessed U.S. military maneuvers and exercises on rapid deployment of the intervention forces operating in the region. These forces are present in more than one place on Arab territory. This new declaration is a first step within the framework of the policy of domination and hegemony being adopted by Washington in the international arena, and particularly in our Arab region, which is considered one of the most important regions for U.S. world policy.

It is no secret that the formation of the new command is aimed at subjugating southwest Asia to U.S. military influence. This will eventually lead to subjugating the region politically and economically to Washington's will--a will Washington is trying to enforce in more than one area of the world. Perhaps the most serious result of the formation of this command, particularly with regard to the Arabs, is that of turning Israel into a center for this command in the Arab region. This will give Israel an important military guarantee and the ability to continue its aggression against the Arabs, placing the Arab homeland at the mercy of its war machine. Moreover, the USSR paper RED STAR wrote about a clause in a secret addendum of the U.S.-Israeli strategic agreement. This clause mentions the deployment of U.S.-made Pershing missiles in occupied Palestine, in addition to other missiles with nuclear warheads. It also provides for storing a neutron weapon in Israel to be used against the Arab nation when necessary.

The attempt to impose U.S. hegemony on the region is one of the top priorities of U.S. policy. The present U.S. administration, like the previous administrations, considers that Arab region a zone for its influence and interests, particularly with regard to oil. In addition, the Arab region enjoys a prominent geographical position, particularly with regard to Washington's concept about world areas of conflict and influence.

The new U.S. step greatly endangers the future of the Arab nation and the independence and sovereignty of Arab lands. This new step places the entire region under U.S. military domination. It is basically directed against the Arab national liberation movements. Announcing this step at this particular time, when the region is witnessing a state of concern and tension due to the Israeli invasion, only aims at threatening the region's peoples and the progressive regimes which reject the U.S. policy of hegemony and the Israeli policy of expansion and settlement. It is, in short, an advanced step within the framework of the major colonialist movement which began at the beginning of this century with the aim of colonializing the Arab homeland and keeping it in a state of permanent subservience to world imperialism headed by the United States.

CSO: 4400/116

SYRIA

SYRIAN DAILY ON U.S. MOVES, SYRIAN STAND

JN120820 Damascus Domestic Service in Arabic 0445 GMT 12 Dec 82

[From the Press Review]

[Text] Tishrin comments on U.S. envoy Philip Habib's statements saying: The United States is doing its best to have the Jordanians and Palestinians participate in the peace process, and will exert every effort to drag all the parties to the negotiating table and, as it says, it has the power to initiate the first stages of the negotiations.

To clarify and emphasize the close alliance which exists between Washington and Israel, a U.S. State Department spokesman yesterday commented on the so-called differences between the United States and Israel by saying that from time to time differences of opinion appear but the relations continue to be very close and very important.

Tishrin adds: In short, this is the true U.S. stand from which all the covert and overt contacts which take place between the United States and some capitals in the region proceed. Everyone knows the clear Syrian stand on all this, on the efforts to have the Jordanians and Palestinians participate in the peace process based on Reagan's plan and on the efforts that are being exerted to drag all the parties to the negotiating table on the basis of the Reagan plan.

Tishrin stresses that Syria's stand has been repeatedly and firmly stated. We have stated and continue to state that the criteria defining one's loyalty to the cause is the extent of the closeness or remoteness of this or that stand from Syria's stand. This Syrian stand calls on the Palestinian resistance factions to strengthen their militant relations with Syria and to strengthen these militant relations among the Arab forces of liberation. This was what Dr George Habash had stated recently. This is so because the consolidation of relations will enable the Palestinian revolution to pursue its militant march because Syria's strength is that of the Palestinian revolution. With this slogan, the Palestinian revolutionaries must confront imperialist schemes which daily are waiting for the news that confrontation has occurred among the Palestinian resistance factions and between the Palestinian revolution and Syria.

Tishrin concludes: It goes without saying that Syria will continue to support the Palestinian revolutionaries who are loyal to the cause of their people, which Syria also considers as one of its national causes. These revolutionaries will continue to remain with Syria in the same trench aspiring for the same objective, that of liberation, victory and a glorious future.

SYRIA

CENSUS FIGURES ANALYZED; POPULATION GROWTH RATE HIGH

Damascus TISHRIN in Arabic 21 Oct 82 p 4

[Article by Naji As'ad: "Country's Population Increased 45 Percent During the Seventies, Now Numbers 9,172,000; Damascus Population Doesn't Exceed 1,251,000, Due to Increased Rate of Migration From City"]

[Text] The government is very interested in the census process in the country, from the standpoint of learning the people's needs for the next decade and about their activities, through an enumeration of the labor force, in order to prepare necessary services for coming generations. In this way, we can avoid economic, educational and housing crises in the future.

This important scientific trend has been practiced by the advanced nations for a long time, enabling them to draw up the necessary plans in accordance with available resources and the anticipated population over a specific period.

It has become the custom in this country for the Central Statistical Office to mobilize thousands of citizens to conduct the public census every 10 years.

During the period from 8 to 18 September 1981, the office conducted a comprehensive census of people and domiciles and counted the agricultural population and installations.

About 11,000 people took part in carrying out this process, most of them headmasters and teachers of elementary schools. What are the initial results of the general census, and what are the most important changes observed in the population distribution during the past 10 years?

This is what we will try to review, through a wide-ranging discussion with Mr Nadir Hallaq, director of the Central Statistical Office.

Initial Results

The director pointed out that the total number of individuals the country on the night of 7-8 September 1981 was approximately 9,172,000 i.e., an increase of some 3 million over the population in 1970. This increase is 45 percent of the total 1970 population.

Therefore, the annual population growth rate achieved for the period 1970-81 was 34.8 per 1,000, or close to 3.5 percent annually. This is higher than the comparable rate achieved during the 60's, which was 32.8 per 1,000, or 3.3 percent per year.

One of the Highest Rates in the World

The rise in the population growth rate in Syria is a confirmed fact, and this rate is considered one of the highest growth rates in the world.

Despite the rate, it is assumed that it will diminish, because of two basic factors:

--The rise in the net rate of emigration abroad, which during the second half of the 70's, and through a statistical field study, was estimated at about 7,000 annually.

--A gradual reduction in fertility levels as measured by the average number of children born to one woman. This is the result of social development and the economic growth achieved during the 70's.

Mr Hallaq, referring to this phenomenon, said that in the 70's there had been a considerable reduction in the death rate as a result of improved health standards generally and the government's expansion of health services into rural areas, compelling doctors to serve there, the spread of clean drinking-water projects, etc. All of this has played a decisive role in reducing children's death rates, and as a consequence, the general death rate has been reduced from about 12 per 1,000 in 1970 to 8.5 per 1,000 in 1981.

In the first instance, this reduction stemmed from the drop in infant mortality to less than 60 per 1,000, instead of about 100 per 1,000 in 1970. This is a very progressive level compared with the rates in other developing countries. In contrast to the reduction in mortality rates, a similar reduction in birth rates was not noted in the country, although a slight reduction was observed. This situation has led to a rise in the population growth rate to nearly 3.5 percent a year. The youthful age structure of the population also plays a part, being characterized by a rise in the percentage of those able to have children.

Those concerned in the Central Statistical Office stress that the high percentage of population increase achieved during the 70's did not surprise them, since the predicted estimates of the country's population, which were based on higher rates, conformed with the results of the general census.

Census Methods

The census methods used in 1981 were the same as those used in previous censuses, utilizing an actual count on a specific, designated night, called the night of temporal documentation. In 1981, it was 7-8 September. During the visit of the censustaker to the family, only those present with the family on that night were registered. If by chance one of the individuals was absent,

from his primary residence, he was registered in his temporary residence where he was actually located at the time of the census.

Regarding statistical accuracy, the director indicated that no census in the world could achieve a 100-percent accurate figure, but the census is not marred by the fact that its accuracy is below that because the censustakers were dealing with special segments of the population rather than a number. Gaps in the census will not affect the possibility of using the statistical results for planning purposes. He added that the office was able to determine that the level of comprehensiveness and accuracy in the statistical statements for 1981 was high, especially since the office used empirical samples made after the count for verification. It was clear from those samples that the worst areas counted had a level of accuracy and comprehensiveness of 97 percent.

Disparity of Growth Rate Among Provinces

One of the facts emerging from the census was the disparity of population growth rates for the various provinces. That is attributable to the difference in the make-up of population growth (births, deaths, migration). However, internal migration among the various provinces was the factor having the greatest effect on that disparity. The highest level of population growth was registered in Damascus Province (the Damascus rural area), which reached 37 per 1,000; the lowest of these levels was registered in Dayr al-Zawr Province, where it was 31 per 1,000.

The Capital's Population Is 1,251,000

One of the most important facts emerging from the 1981 census, one that must be made known to service organizations and the specialized housing authorities, is the population figure for the capital and Damascus Province. The results of the census in the city of Damascus ran against what was expected by many, since the population of the capital totaled 1,251,000.

The Central Statistical Office, according to the field tests it made after the census and a group of indicators available to it, has confirmed the validity of the figure announced for the population of the city of Damascus, especially since that figure was nearly the same as estimated for the city's population by that office, and published in the annual statistical totals. This figure was 1.2 million people in 1980. The increase in the city's population exceeded 400,000 persons in the last 11 years, which is not an insignificant increase, since the population of the city of Damascus in 1970 was 836,000.

We asked the director whether the usual estimates that more than one person has announced concerning the population of the capital were not in agreement with this figure. Information from these sources indicates that the population of the city of Damascus is closer to 2 million. Regarding this point, the director said: "We must differentiate between people living in the city and the people who depend on the city for their livelihood. The publicly announced population figure for the city of Damascus represents those who were in the city on the night of 7-8 September 1981.

"If the census had been taken during the day, the city's population would have been larger than the announced figure, what was 1,251,000 people. Most of the people in the suburbs depend on the city of Damascus for their jobs, services and at times their education, but they are in the census of the Province of Damascus or some other province."

Regarding the true indicators of the population of the city of Damascus, he said that there is an erroneous impression, in the minds of some, about the Damascus city limits. There are populated areas that have been established on the outskirts of Damascus that are natural extensions of the city. However, their population figures are not part of the census for the city of Damascus. According to the administrative limits, these areas fall outside of those boundaries. If there were a simple change in the city's boundaries, its population would be increased considerably from these areas--al-Hajr al-Kawid, part of al-Tabalah.

Migration From Damascus

According to the practical results of the census for Damascus city, census specialists believe that there is a definite population migration from the city to the suburbs, that is to Damascus Province, whose population totaled some 919,000 people, whereas in 1970 it was 641,000. Therefore, Damascus Province registered the highest growth rate in the 70's with a percentage of +.7 annually.

The office inters the fact of migration out of the city of Damascus from the number of students registered in elementary education. This figure has doubled in all provinces of the country, with the exception of the city of Damascus, where the number of children in the first elementary grade has begun to gradually decline.

Factors Reducing the Population Growth Rate of the City of Damascus

The Central Statistics Office explains the significant decline in the population growth rate of the city of Damascus during the decade of the 70's to 37.4 per 1,000 compared with 42 per 1,000 in the 60's in the following ways:

- Birth rates in Damascus city are basically the lowest of all the provinces.
- Expansion of developmental projects in all parts of the country will certainly have reduced the intensity of the waves of migration to the capital.
- The oil price crisis, which has been deeply-rooted in the city, might have deflected potential waves of migration headed primarily toward the capital to the suburbs. That would confirm the large rise in the growth of population in the suburbs of Damascus city, which surpassed all expectations.
- The waves of migration from Damascus were large, and the office has a considerable amount of evidence to confirm that, since the net rate of migration from the city during the period 1976-79 was estimated at about 6 per 1,000 annually.

The cities and villages surrounding the city of Damascus have attracted a large share of the city's population, or basically those coming to it and those emigrating from it, due to the housing crisis and the rise in the cost of living. The evidence for that huge population growth, achieved during the past 10 years in Damascus' suburbs, is that the rate amounted to more than 5% per 1,000 annually.

Population of the Country by Province

The country's population is distributed by province as follows:

City of Damascus	1,251,000
Damascus Province	918,796
Aleppo Province	1,869,249
Homs Province	812,517
Hama Province	734,333
Latakia Province	554,783
Dayr al-Zawr Province	409,130
Idlib Province	579,991
Al-Hasakah Province	662,424
Al-Raqqah Province	348,372
Al-Suwayda' Province	199,114
Dar'a Province	362,969
Tartus Province	442,768
Al-Qunaytrah Province	26,148

In this distribution, it is clear that about 45 percent of the country's population is concentrated in the provinces of Damascus and Aleppo.

Moreover, one of the factors that the census brought to light is the increase in the number of town dwellers, comprising 48 percent of the total population, compared with 37 percent in 1970. It is assumed that the birth rate is lower in the towns than in rural areas. Consequently, the increase in the rural areas is higher than it is in the towns. However, making the rural areas civilized has led to [similar] rates of increase achieved in the towns.

104 Males for Every 100 Females

The census has shown that there are 104 males for every 100 females. As expected, this rate was lower than in the previous census, as a result of migration factors, since the number of males per 100 females in 1970 was 105. Males outnumber females in all provinces of the country with the exception of al-Suwayda' Province.

The city of Damascus ranks first in terms of the increased number of males, due to the migration of manual labor to the city.

The number of males is approximately the same in Dar'a and al-Hasakah provinces. The Province of al-Suwayda' is considered the only one in which the number of females increased over the number of males. That is attributable to the increase in the number of male emigrants from the province.

The results also show that the number of families has reached 1,469,000, an increase of 400,000 over what it was in 1970.

The average family size is 6.2 persons, compared with 5.9 in 1970 and 5.3 in 1960. The rise in the average size of a family in this country is a continuing trend, reflecting a natural development.

Experts believe that the basic cause of the increase in the average family size in the country is the slowdown in the formation of new families because of the housing crisis.

Observations about the Census

Factors pertaining to the census and their timing can be summarized as follows:

--The announced figure represents the number of residents who were present within the official, administrative boundaries of the city and in no way reflects the number of people who pursue their activities within the city.

--The official, administrative boundaries exclude huge, residential blocs, which are considered natural extensions of them.

--The delay in the opening of schools forced many individuals and families currently domiciled in the city of Damascus to remain outside of the city when the actual count was being made, so that they were registered in other places.

Conclusion

It must be pointed out that the initial results of the census in the country always indicate increases in the population and much higher rates. This must always be noted in the economic planning aimed at accommodating expected population increases during the next decade. Those plans should be made basically in light of these increases, so that we can know approximately the number of students in the first elementary grade for every year, which can be applied in the various educational and service sectors, as well as planning for the anticipated work force, in order to learn their numbers in light of the country's needs and the economic development plans for this resource, so that it can be guided appropriately. Accordingly, the most interesting fact brought out by his census is the distribution of the country's population by province. Through this distribution, we can learn each province's requirements in terms of quantity of bread needed and other necessary services, so that these requirements will be distributed fairly among all provinces.

SYRIA

BRIEFS

SYRIAN AMBASSADOR TO BRITAIN--London, 9 Dec (SANA)--Dr Lutfallah Haydar, the Syrian ambassador to Britain, today presented his credentials to Britain's Queen Elizabeth II. [JN092039 Damascus SANA in Arabic 1500 GMT 9 Dec 82]

REGIME ON WORKING CLASS ATTACKED--The parties and forces of the National Democratic Grouping [NDG] in Jordan have affirmed that linking the Jordanian regime's economy with that of world imperialism has led to the establishment of a subservient economic policy which hampers any progress in the national economy and alienates the Jordanian working class by replacing it by a cheap foreign working force. This came in a statement issued today by the NDG parties and forces. The statement condemned the practices being pursued by the Jordanian authorities to strike at the Jordanian working class, urging all workers to concern their ranks vis-a-vis this onslaught. The statement expressed the NDG support for the Jordanian workers in defense of their interests and to expose all the suspect attempts. The statement urged the Arab working movement to back and support our workers in Jordan. [Text] [JN111452 Damascus Domestic Service in Arabic 1215 GMT 11 Nov 82]

OPERATIONS AGAINST ZIONIST FORCES--Beirut, 2 Dec (SANA)--The Lebanese nationalist resistance has stepped up its military operations against the Zionist occupation forces in Lebanon, inflicting further losses in life and equipment on them. Reports from southern Lebanon have indicated that the Lebanese resistance carried out three daring military operations against the Israeli occupation forces. The first of these operations was carried out at noon today in the al-Shuwayfat area against a Zionist patrol, killing or wounding all the patrol's personnel. The second operation was carried out by Lebanese fighters against a Zionist vehicle in Habbush Village in the al-Nabatiyah region, wounding three Zionist soldiers. The third was executed in Sidon when Lebanese fighters attacked Zionist military offices there. These reports added that the Zionist occupation forces interrogated the Lebanese citizens and cordoned off the areas of the military operations. The Zionist forces, according to the reports, reinforced their armor patrols. [Text] [JN022115 Damascus SANA in Arabic 2045 GMT 2 Dec 82]

U.S. MANEUVERS, ANTI-ARAB PLOT--Today's newspaper AL-BA'TH says: The comprehensive U.S. plot has reached a developed stage and the United States is preparing for a military action to be implemented by Israel. The maneuvers carried out on the Mediterranean coast by the U.S. Navy and those being conducted or prepared along the Arab coasts are directly linked with the Zionist military concentra-

tion in Lebanon and are part of the next stage of the comprehensive U.S. plot. After succeeding in emptying most of the Arab fronts with Israel, the United States is about to implement the last phase of its scheme--a phase aimed against Arab Syria whose political line stems from its firmly-entrenched Pan-Arab creed and from its genuine liberation principles which reject capitulation and relinquishment of Arab rights. Concluding, AL-BA'TH says: The United States has begun its comprehensive plot. However, Arab Syria will not be taken aback by the excuses and methods which serve the plot. The surprise will certainly be of adverse results as the United States will only reap failure from its next battle against the Arab nation. [From the press review] [Text] [JN030744 Damascus Domestic Service in Arabic 0445 GMT 3 Dec 82]

RECORD OLIVE PRODUCTION--Idlib Province will achieve the best olive production this year of anyof the past 10 years. The director of agriculture expects that this year's production will reach 135,000 tons. The largest amount produced by this province in past years was not more than 119,000 tons. [Excerpt] [Damascus TISHRIN in Arabic 28 Oct 82 p 3] 7005

DAMASCUS-DAR'A RAILROAD IMPROVEMENT--Yesterday, a subcommittee of the Joint Syrian-Soviet Committee for Economic, Scientific and Technical Cooperation visited the Province of Dar'a via the railroad. They were accompanied by officials from the Ministry of Transportation and Eng Muhammad al-Bazm, director of the Hijaz Railroad. The committee studied the situation of the railroad between Damascus and Dar'a and the condition of the stations along the line, as well as the nature of the area through which the line passes, from a technical standpoint. This was done in preparation for defining ideas concerning the study that will be made to implement the new broadguage line between Damascus and Dar'a. The committee looked into all aspects of its mission during this trip and visited the railroad station in the city of Dar'a. Our correspondent has learned that an agreement was reached, during discussions that recently took place, for the Soviet Union to implement the new Damascus-Dar'a broadguage railroad project. Joint subcommittee sources announced this during their visit to Dar'a Province yesterday. They added that the implementing study for the project will be completed next year. Within the study, connection of the line with Jordan and Saudi Arabia in the fugure will be considered. This line will be constructed in accordance with the highest international standards. [Text] [Damascus TISHRIN in Arabic 29 Oct 82 p 2] 7005

CSO: 4404/74

INTERVIEW WITH ENGINEER ON DEVELOPMENT PROBLEMS

Tunis DEMOCRATIE in French No 106, Oct 82 pp 8-12

[Interview with engineer Moncef Bouchrara by Zeyneb Samandi; date and place not specified]

[Text] This new column's only ambition is to be a small window, but one opened wide to grassroots Tunisia so that the latter will reveal itself to us in its diversity and complexity, in the actual operation of its structures and organization, and with its problems, riches, troubles, and potentialities. But also in its inexorable evolution.

Its evolution is that of its people, who are the agents of change and renewal.

It is not surprising, therefore, that space should be given here to another kind of discourse: that of ideas but also that of men and women whom we are not accustomed to hearing through the official mass media.

In other words, the aim of this column is to present Tunisia to the Tunisians through Tunisians so that--and this is also our objective--they will know and recognize each other.

Moncef Bouchrara is an independent engineer who does not belong to any political organization. He is our speaker today.

He deals with three crucial topics:

1. The energy problem.
2. Construction activity.
3. Industrial bungling.

DEMOCRATIE: Why all this interest in the energy problem?

Bouchrara: To me, the energy problem seems basic and so important that it deserves to be discussed publicly without holding anything back.

There has been a tendency over the past 2 years to present the energy problem in Tunisia as a simple physical equation between production and consumption--even after recognizing that a problem exists, something that was not recognized until 2 years ago. Until 1980, with the exception of a concern publicly expressed by Prime Minister H. Nouira to the National Assembly at the end of 1979, there supposedly was no energy problem in Tunisia.

Actually, I personally discovered after about 3 years of study that the energy problem--and this is basic--is a vast financial problem whose complexity and dimensions are such that they present a real threat of destabilization to all the equilibriums underlying not only the national economy but also the current operation of the Tunisian state.

Those dangers and financial skews must be discerned in at least three main areas:

1. Foreign trade: The rapid flattening of the financial cushion represented by the surplus in foreign exchange due to the excess of our exports over our petroleum imports is going to accelerate the deficit in our trade balance--which incidentally is chronic (a deficit of 800 million dinars for 1982).
2. The Tunisian national budget: It used to enjoy financial affluence thanks to the "petroleum spigot," which was limited in time, and was able by that means to conceal shortsighted social policies and the mistakes and muddles in public investments that were due to the negligence and incompetence of high government officials responsible for public or semipublic investments and investments in state-owned enterprises.
3. Consumer prices: These are the consumer prices of the various goods and services making up the standard of living of the citizens. For each of the acts and needs of our daily life, there is a consumption of energy. The price of that energy has doubled, tripled, or quadrupled, depending on the type of energy. And consumer prices have therefore risen automatically, since the state can no longer afford to cope with those increases in the cost of living, so we are seeing the appearance of objective reasons for social exacerbation and sustained political discontent.

DEMOCRATIE: In your opinion, is there excessive energy consumption?

Bouchrara: In general, it must be realized that since 1970, energy consumption in Tunisia has risen at an average rate of about 11 percent, whereas the average rate of economic growth is on the order of 6.5 or 7 percent.

We are therefore a country that has a so-called elasticity of $\frac{11\%}{6 \text{ to } 7\%} = 1.5$.

And that is dangerous in comparison with European countries that have managed to reduce their energy consumption since 1973 while maintaining positive rates of economic growth. This is where we touch on the basic phenomenon--that is, the relationship between economic growth and energy consumption. The main question for our future is this: can we increase our level or maintain it while also reducing our overall consumption of energy?

DEMOCRATIE: What do you see as the reason for this high level of energy consumption?

Bouchrara: In 1975, we embarked on an ambitious investment program that has been very costly for the entire nation, but at no time until 1980 did we ask ourselves whether, in the first place, we would have the energy resources in the long or even the medium term for carrying it out. And neither did we ask ourselves whether there was a chance of achieving the intended results with less energy consumption. There was such a lack of foresight that we did not realize early enough that there was a danger of limited energy resources being available to Tunisia. I can even reveal that international organizations called our government's attention to the need to concentrate on those problems as early as 1975. Their advice was not taken, and the reason was a culpable carelessness that is going to cost us a great deal. Beginning at the end of 1980, on the other hand, and with the help of foreign experts, studies began to be made of energy consumption in Tunisia by type of activity and final destination. Let me explain. We know the overall quantities by type of product that are consumed in Tunisia, but we do not know how and where a particular product for a particular activity or end use goes. It is obvious that in such conditions, we cannot determine which activities use the most energy and which use the least or have any idea of management--in short, a policy for conserving energy is impossible without such data.

DEMOCRATIE: Don't the new prospects opened up by the recent petroleum discoveries give reason to be less pessimistic?

Bouchrara: I believe we must combat that kind of myth and that attempt to make us let our guard down. Regardless of any petroleum discoveries that may be made from now on, our energy consumption, in view of our standard of living--that is, our petroleum consumption per dollar of GDP--is already very high and equals the average for France. It must be realized that we currently consume the equivalent of 450 grams of petroleum per dollar of GDP. We are at the same level as France. But a country like France is reducing its energy consumption every year with no decline in its GDP--on the contrary, its GDP is rising by 2 or 3 percent.

With us, it is the opposite.

But that is not all. The energy problem is also a financial problem. Since 1973, energy prices on the domestic market have lagged so far behind that in 1980, in terms of international prices, the price of a ton of oil equivalent was one-fifth of the price on the international markets. A very quick calculation at the end of 1980 revealed that the actual offset between international and domestic prices would amount to 200 million dinars for the quantities consumed in 1980 and 1981. The problem at this level is in fact more serious than that, because even if we doubled energy prices on the domestic market, we could easily come up with astronomical sums on the order of 500 or 600 million dinars very quickly, considering the growth of consumption in physical quantities and energy prices on the international market. It must be realized what these huge sums represent in terms of the national budget and the entire GDP. It must also be realized that sudden price adjustments cannot be made overnight

without causing violent reactions in the social body and a disastrous crumbling of the economic fabric.

DEMOCRATIE: Where does the consumed energy go?

Bouchrara: It must be realized that even though we currently do not have the complete picture of energy consumption that we mentioned just a moment ago, we can rough out the problem without waiting for that study to be concluded. Thus we can say that it is absolutely not the housewife, the citizen turning on his TV set in the evening, or even household lighting which is currently responsible for most of the energy consumption and its very rapid growth. There is one thing in Tunisia that is very clear: what is growing very fast is not by any means the consumption of gasoline for private automobiles. Instead, it is fuel consumption by industry and transportation. And in the case of transportation, it is freight transportation. That is fundamental.

It is very obvious that once instituted, that type of consumption--that kind of dynamics--cannot be curbed overnight. So it can be seen that trying to reduce energy consumption is not a matter of simply telling people to turn off their lights. It involves a much more overall view upstream from the investments, meaning, first of all, that in order to achieve objectives and meet needs in terms of products or services necessary to the nation, a search should be made for products, technologies, and processes that require the least amount of energy consumption. And second, it will be necessary to look for industrial dimensions that do not require large-scale transportation--transportation of large quantities of merchandise--over great distances.

It is very obvious that at this level, what are known as "industrial critical masses"--the superbig factories and superbig cement plants that are considered the minimum size for ensuring a profit--are no longer profitable at all. The fact is that once that kind of choice is made, the inevitable result is energy consumption levels which I call permanent. It is possible *a posteriori* to try at the plant level--once the plant is installed--to improve its operating process by making new investments, but it is possible to reduce its energy consumption by only 10, 15, or 20 percent at most. But the process remains basically the same--once on the market, the product is what it is. And the plant's location in terms of the consumer center also remains the same.

So basically, that is Tunisia's main problem. It will easily be realized that if price problems had been considered as early as 1975, we could have made the necessary efforts to raise energy prices more gradually than we are doing today. In those conditions, the initiators of industry--the industrial planners--would have paid more attention to plant location and to the technologies chosen. If that had been done, we would not have had, as we do now--and here I am thinking particularly of the construction materials industry--an industry which is new but which is boobytrapped by the sharp price rises decided on following installation.

It should be well understood that I am not criticizing the rise in energy prices, because there is nothing else that can be done. What I am criticizing is the fact that no critical review of the period from 1975 to 1980 has been

made or sought, and the government has refused to do it. The question is whether, in fact, we could have really posed the problem since 1975 and raised it to the level of national awareness in connection with the notion of prices, the notion of the availability of energy and, therefore, the notion of the type of industrialization that could have been carried out. I see that as a serious, basic, and prime weakness in the Tunisian state's operation and also in its manner of detecting serious threats to everyone. The issue goes far beyond the question of the men who were more or less involved, although their share of responsibility cannot be denied. I will say that it challenges the operation of the system as an institution and as far as organization, texts, and administrative procedures are concerned. I say that a serious defect is involved regardless of conditions, because if we were not able to detect that threat soon enough in 1975, there is nothing to indicate to me that in the case of other, equally threatening problems, we will be able to do so today either, since we have the same kind of organization.

The problem has now become clear, because the financial question at the energy level now concerns above all else the equilibrium in our external balance. It is true that we currently export a little more than we import.

But we are already in a serious situation. It must also be remembered that the energy sector has been the principal and essential support for an economy which is in fact worse than extroverted: it is genuinely faltering and not at all autonomous. Citrus fruit, phosphates, and other products could not begin to cover the deficits in other sectors of the trade balance. Energy could. So the "cushion"--the surplus from the financial standpoint of exports over imports--is declining noticeably due to the very rapid growth of consumption. On the other hand, we have domestic energy prices that are very low to start with and cannot be raised overnight to the level of international prices, because doing so would have extremely complicated and dangerous consequences for the stability of the social body. As a result:

We have an expense--a burden--for the government that represents several hundred million dinars.

We also have the problem of the cost--the cost of living--of the principal products and services necessary for economic activity. That cost incorporates the quantity of energy used. Those products and services are undergoing sharp price increases and, as a result, are probably leading to inflation and to the habit of inflation.

Here we can draw attention to particular sectors which may currently seem essential to national activity, one example being construction. That sector is in real danger because of its direct link with the energy question.

So the energy problem is very complex. It has not been studied by anyone except perhaps, in a limited way, by the departments concerning with planning and national economy (see the guidelines memo to the Sixth Plan: August 1981).

It is also an exceptionally urgent problem. The means being implemented are not adequate at present in this race against time.

What is also needed, therefore, considering the complexity and scope of the problem and the urgency with which it is presenting itself, is an exact political interpretation of this threat, which is manifesting itself not only at the physical level of production and consumption, but also at the financial level.

At that level, there is a lack of awareness on the part of the country--the mass of the population--but also on the part of the entire political class. As more time passes, the problem will become more complicated and difficult to control once it becomes very noticeable politically. I consider it shocking that to date there has not been a sustained debate, controversy, or call for ideas lasting several months or several years and taking place through all the resources that exist for informing, sensitizing, and educating people concerning the energy problem.

DEMOCRATIE: Are there measures that it is necessary to adopt in the immediate future?

Bouchrara: It is important to begin by starting with Tunisian reality. Personally, I have discovered--and to my knowledge, very few researchers have discovered this or written about it--that the energy consumption profile varies from one country to another. A European country does not show the same type of energy consumption that we do, and vice versa. Let me explain. When energy consumption in France, for example, was analyzed and pinned down following the rise in petroleum prices in 1973, the studies showed that 30 percent of the energy being consumed was used for space heating, while between 4 and 7 percent was used in the production of building materials.

On the contrary, I discovered, using very approximate and rough methods (and I published this as early as 1980), that the production of building materials in our country--as specified and chosen for the entire nation and including the transportation involved--probably accounted for 25 percent of our total energy consumption. Space heating, water heating, and so on accounted for only between 3 and 6 percent. What I mean is that each country has its own specific "X-ray" of energy consumption--its own energy signature--based on its economic structure, level of organization, climate, standard of living, and so on. As a result, policies and the kinds of solutions, processes, and technologies that must be promoted must correspond to the urgent needs expressed by those signatures and, I will say, to the specific strata of energy consumption and energy savings in the country in question.

It was comical, to say the least, to see economic and political officials advocate insulation and fiberglass for Tunisia when the heating sector uses very little energy, whereas building materials and freight transportation, which take the lion's share of total energy, were subjected to an extraordinarily close mimicry of the West that is causing an explosion in our energy consumption.

DEMOCRATIE: Can energy consumption levels in the building materials industry be reduced?

Bouchrara: Two years ago, to go back no farther than that, I proposed a rough plan for just that purpose.

First of all, I showed that half of our industrial investments under the Fifth Plan were concerned with building materials. That represents about 350 million dinars. And the building materials industry created a total of only about 10,000 jobs during the Fifth Plan.

It might have been wondered--but there is no trace of its happening--whether, in view of the 350 million dinars being spent for all practical purposes on three types of basic materials (cement, masonry, and steel), those were the only materials to be promoted and whether those were the only plant sizes that could solve the problems in Tunisia. In other words, it can be wondered why and how it is possible to start up a 100-million-dinar cement plant without seeking the advice of Tunisian consultants, who are familiar with trade practices and social habits, in order to learn:

a. If it is possible to reduce cement consumption per square meter constructed and if it is possible, with that same cement plant, to build a few more square meters each year and what is needed in order to do so.

b. If it is possible for that same cement plant to produce the same amount of cement using as little energy as possible.

I have proposed a plan that can be broken down into two main sections:

The first section is concerned with saving the national asset represented by the building materials industry. This is imperative. It exists, it is new, and it cost us a lot. So there should be rapid intervention at this level to try to reduce its specific energy consumption. This can be done at three levels:

First, by working with what already exists. This involves seeking to reduce the consumption of cement, steel, and, as a consequence, all the resulting aggregates per square meter constructed, without affecting the viability and solidity of the structures being put up. That is possible if this country's political authorities will do what is necessary to conserve steel and cement and use only what is strictly necessary. The country should know that in Tunisia, design offices, control offices, architects, and so on are paid based on a percentage of the cost of construction. In plain language, they are paid on the basis of their propensity to "load" the structure with reinforced concrete. There has been incredible waste, for example, in civil construction since 1973. That is sacrilege in a country like ours--a permanent scandal. It would be possible to devise modes of remuneration that reward the practitioner's propensity and skill as far as economizing on those materials is concerned, since they are so expensive for the nation. In an editorial in the magazine PANORAMA IMMOBILIER in 1981, I proposed the convening of a "higher construction council" which would, on the basis of the new constraints looming up in the coming decade, reach a consensus on the minimum conditions making it possible to safeguard this sector's health. I was preaching in the wilderness. Catastrophes occur because of a refusal to look at the future and ward off threats and unwholesome trends together and far enough in advance. When all is said and done, the underdevelopment of nations is due first of all to the shortsighted thoughtlessness of their elites, essentially those in the administrative, economic, or technical fields.

Second, to get back to the question of energy conservation, there is a way of setting up processes for recovering heat evacuated in the form of smoke, using products that grind cement clinker more rapidly, and so on.

Third, in the case of plants already installed, conversions should be made. For example, they should manufacture cement containing a little more inert material and less material that needs to be treated with heat.

The second part of my plan concerns future materials. This is simply a matter of looking for materials which consume as little energy as possible in the manufacturing stage and are located as close as possible to the site where they will be used. Until 1950, the country's various regions provided a very good and very effective solution in this respect.

In fact, there was at the time a genuine energy crisis in Tunisia and a crisis in investment, but despite everything, people knew how to build houses which in most cases would hold up for a century or even longer and whose materials did not need to be transported more than about 10 kilometers. Moreover, many of those houses have proven to be naturally cool in summer and pleasantly warm in winter. It was in the Tunis School of Architecture, known as ITAUT--which was very poorly thought of and disparaged in certain spheres and by certain elites, being considered a haunt of irresponsible brats and leftwingers--that those observations were made. But it was that school which accomplished work that is now proving to be extraordinarily fruitful for the future.

From now on, the great international institutions will be seen recognizing the ITAUT as an avant-garde center of architecture.

Let me explain. There is no trace in the European countries of such varied construction practices as those which we have and which utilize as much as possible the opportunities provided by the immediate environment, as can still be seen today, thank God, in Tunisia. Moreover, colonization in neighboring countries was so thorough that not only are there fewer physical traces of those techniques than here, but people no longer know how to build except with prefabricated components and concrete. And those latter techniques are very costly in energy and capital, while employing very little manpower. But it is not enough to have this on paper. It is necessary to demonstrate that those building techniques are still modern and have full economic value today and to show how they can be improved. There will probably be an intense need for investment in the following:

- a) Knowledge and technical information.
- b) Physical experiments and experimental worksites.
- c) The training of manpower and of specialists in the field.

It is very interesting, incidentally, to observe that the Western countries have also realized since 1980 that the solutions they were proposing for themselves as a way of conserving energy were not necessarily those most urgent for us. They have consequently tried to sell us what we already have as our own

heritage--examples being earthen construction with material requiring very little energy, plasters, and so on. I regret deeply that certain political authorities have let themselves be fooled or are playing that game by first calling on Paris, Brussels, or New York to ask for advice on what should be done. They could have started by trying to find out what the thinking in that field was in Tunisia before having it taken over and promoted by foreign specialists and organizations. Let us remember, then, that lower energy consumption by the building industry probably depends on a far-reaching regional and local diversification aimed at adapting the resources available on the spot to construction needs. And to carry out that diversification correctly, a lot of gray matter will be needed: local architects, engineers, geologists, specialized masons, and so on.

DEMOCRATIE: Are the future problems in construction limited to energy problems?

Bouchrara: The construction problem is certainly broader than the problem of energy.

The energy problem is a financial issue--a matter of equilibrium in the state's revenues.

The construction problem is something that goes further and demonstrates how far we are from taking the overall viewpoint. We do not know how to detect the real main lines of our economy's dynamism. The political and economic elites in Tunisia tend to view construction activity only from the standpoint of results. To them, the important thing is to be able to say that we built the Ibn Khaldoun housing development or that we built the UV4 housing development in El Menzah. They do not see the act of construction as an activity, an industry, and, I would even say, the principal and most important economic activity in our country after industry and the government administration. Officials do not realize that construction currently employs 200,000 people and represents a factor for very thrifty economic growth in financial terms when compared to other kinds of investment and production. From that standpoint, every administrative operation, every tax regulation, every unfortunate choice of materials that become more expensive later, every type of pressure, and every disorganized way of managing that activity--if in fact it is ever thought of as being managed--simply hinders that industry and that activity. Unfortunately, the unions have not helped to make the authorities and the country as a whole aware that construction activity is an important thing in the life of our nation and that any shortsighted intervention at the administrative level could amount to pulling the emergency brake. Even so, there is not much that the state would have to do. Let us understand each other. It is not the state which gives the citizen a desire to have a house or to build one. That desire is external to the government and goes beyond the officials. And that is a good thing. If materials are expensive, if there are not enough construction firms, and if there are too many administrative hassles involved in building a house, then instead of 50,000, 60,000, or 100,000 housing starts per year between now and 1990, there will be a great many fewer, with the consequences that we have just mentioned.

It can therefore be asked whether waiting 3 years for a building permit or 10 years for a permit to subdivide land helps that activity to fulfill to the maximum its function as a pace setter for the economy. It can be asked whether the very restricted choices of materials that have been made, the materials that have been circulated compulsorily in the trade, and the energy prices that rise as a result facilitate the expansion of that activity.

I say that while construction employs 200,000 people today--most of them young people under 25 years of age--it would be capable of employing twice that many 8 or 10 years from now.

It is appropriate to ask how construction can employ as many people as possible without falling behind technically. How is it possible to take advantage of people's natural desire to build so as to ensure that at the technical and financial levels, things will be facilitated in that activity?

We know that among the various techniques for building a viable house, some employ more manpower than others.

For example, let us take the prefabricated building method and the traditional methods. After the experiences of the "OMP" and other types, it appears that the prefabricated method is no less expensive than the traditional method, it is not faster, and it does not employ more people.

In another connection and at a different level, there is reason to consider whether it is the big firm or the jobber that employs the most manpower per 1,000 dinars in turnover.

Is it the big firm or the small jobber that needs to be outfitted with equipment that is largely imported?

From that, we see that the technical choices that are being made do not take all those factors into account. In the same way, awarding a contract for 500 housing units to a single architect and a single firm instead of dividing it up among several architects and, say, 10 firms and letting them compete with each other through the incitement to save on materials, provide better quality, and make a name for themselves if they do careful work does not result in lower prices, lower consumption, and an increase in manpower. It is true that not all types of work are the same in construction activity. Some need to be mechanized, but as far as construction as understood in Tunisia is concerned--that is, buildings other than those of the "Africa" type--the great majority of it consists of four-level buildings, small houses, and so on. There are ways to draw the maximum benefit from this in terms of employment, energy consumption, quality, and number of housing units.

At the financial level, even with the CNEL, the maximum number of people needing housing has not yet been reached.

Now for the very touchy subject of building permits: it has not been demonstrated that more livable housing or less chaotic systems have been achieved by that system than by allowing freedom to build. I am well aware that one should not

sing the praises of spontaneity at all costs. But I am certainly compelled to point out that a kind of rationality imported in the early 1970's by young people from European town-planning schools--whose only experience with the Tunisian social body was the few years they spent in Europe--convinced officials that it was absolutely necessary to manage Tunisian space according to development plans that had nothing in common with local forces and dynamics. That space, rationalized according to the narrowmindedness of a planning office, has not demonstrated, when all is said and done, that its results are more harmonious than the housing developments that have grown up spontaneously around Tunis. Let me explain. Look at the Ibn Khaldoun housing development, which is the prime example of rationalized space. It is no better than Hay Ettadhamoun, which is a development comprising 50,000 inhabitants that was built in the form of permanent structures and grew up illegally over a period of 5 years. The only difference between those two examples is that the authorities and the government technical organizations practically ignored Hay Ettadhamoun and refused to provide it with schools, sewers, water, and electricity until the day when the president of the republic found out about it thanks to a radio broadcast. There are streets in Hay Ettadhamoun just as much as there are streets in a development like Mellassine. The only thing is that not everyone knows that it cost half as much to build Hay Ettadhamoun as it did to build Ibn Khaldoun. Not everyone knows that it enabled tens of thousands of people to obtain housing with what little money they had.

The technocrats, in particular, ought to show much more modesty in the face of the social dynamics developing in Tunisia. They ought to be less assertive when, driven by officials higher up, they simplify reality and presuppose that it is going to line up perfectly straight.

That technocracy is no longer the main vector of the need to progress in Tunisia. From now on, a tremendous thirst for social advancement exists in every Tunisian man and woman. Tunisians are no longer the fatalistic rabble that was the despair of our political leaders either 40 or 3 years ago. So there is no longer any reason for high economic and technical officials in the administration to feel and believe that they are the only possessors of truth and the only ones who know the path to follow.

DEMOCRATIE: In your opinion, what is progress?

Bouchrara: Progress is, first of all, survival as individuals and as a national group.

The fact remains that if things stay the same--if we do not acquire the means for greater economic efficiency and a greater mastery of the environment--we will necessarily let ourselves be colonized again by those who have assimilated technology, economics, and politics better than us and taken better advantage of that fact. Because when all is said and done, how does colonization come about? Take two countries that started out with the same resources. One has an economic growth rate of 2 percent after a few years, while the other has a rate of 10 percent. Sooner or later, one of them will automatically be engulfed by the other through a sort of phagocytosis. That, basically, is underdevelopment. It is reflected in the slower growth that results from accepting

2 percent when 10 percent is possible. To avoid that trap, one must win the battle against time.

The economic growth that we have experienced in Tunisia for the past 10 years could have been greater, considering the resources at our disposal. Above all, it could have been longer-winded than it was. We have had a tubercular, short-winded growth that is now resulting in high unpaid bills and permanent consumption and importation parameters of every type that are extremely strong and are making the entire country vulnerable. That is the true result of the 1970's.

I frankly admit that I don't yet know what development is, because many people include different things in it, but growth is something we can talk about and agree on. It is clear that from now on, progress will consist of achieving maximum economic growth rates and a production of goods and services that will benefit the great majority of the population. But we must do so in such a way that we do not place ourselves in a dangerous financial, physical, or military situation for as far into the future as we can see. I am obsessed by the relationship that may exist between a country's military vulnerability, and the errors and delays in its economic construction.

It can be demonstrated that if, in the civilian sphere, a country is constructed in a centralized manner to be entirely dependent for its supplies of water, energy, and technology even while remaining combative in the military sphere, it is making it possible for a potential enemy to rapidly paralyze its economic system, and, when all is said and done, it is placing itself within reach of any power that has a few hundred million dinars to throw away on some adventure. Failure to detect threats of any kind--financial, economic, or even diplomatic--sufficiently far in advance makes it necessary in short-term situations to equip oneself with more sophisticated and more expensive military means. But we are not a country that can do that easily. We therefore have a duty never to forget that the few resources we have compel us to detect the problems that might weaken our country and to do so much farther in advance than any other similar, and I will say neighboring, country. I will add that this is not something new for the Tunisians. When we consider the various populations and minorities as they were distributed geographically in the Sahel, the south, and so on--the various cultures in Tunisia--we see that they survived only because they were instinctively prudent in the management of their environment and in sizing up external influences.

I regret that for the past 20 years, and more especially the past 10 years, that instinctive prudence has been disappearing, particularly within a class of high-ranking cadres in this nation.

How, by some sort of complex, were those cadres led to decide positively that whatever comes from abroad is necessarily more credible than anything that can be recovered, improved, or modernized by young people today? In my opinion, that is a basic problem.

DEMOCRATIE: What is democracy?

Bouchrara: It is very clear that at the technical level, there is not just one method for producing what we need in any sector. There is always a variety

of possible methods. It must be said that we can choose methods that generate subsequent power struggles between individuals in society. Let me explain. Today we can choose a factory producing enough shoes for 6 million Tunisians and place it in the hands of a single man, whether he be a private individual or a high government official. He will be called a capitalist or the president-director general of a state-owned firm, and we will have a man representing so-called profitability and a reduction of unit costs on the factory's doorstep. We will have one person manufacturing shoes for 6 million people. But we can also choose to have 20 or 30 shoe manufacturers, in which case the power struggles that might be generated will be more balanced because profits, the number of jobs, and so on may be different within society. And it is true that money today means power among individuals and in political relationships in Tunisia. Personally, men impress me because of what they themselves contribute to their society, but that order has been reversed.

It happens that this question of a technical choice has been very clearly demonstrated by a group which was not assigned sufficient importance by the media. I am referring to the commission which met for 2 years--practically before the plan was drawn up--at the National Union of Engineers. Unfortunately, that commission, which was called Technology and Development, never saw a political or economic official. If the latter had talked to the commission, they--who always have the word "democracy" in their mouths--could have learned how it is possible to build a more egalitarian and less vulnerable country. One is compelled to recognize that the young people of this country are more interested by far in the country's future. One gets the impression that the young and upcoming generations--the children of independence--have a lucid and bitter realism--but realism all the same--and that they tend to look at reality much more than the political class which, in principle, is responsible for high-level reflection.

DEMOCRATIE: What do you consider industrial bungling?

Bouchrara: It is clear that we are capable of spending astronomical sums to buy equipment and plants without adequate upstream reflection aimed at deciding whether a particular technique and product will utilize our resources in the best way. That is undeniably a weakness related to the organization of our administrative and legal system and our procedures. That organization has not been adequately challenged by the entire political class. Those preinvestment procedures are a basic weakness in the Tunisian state today. There can be no doubt that a 100-billion-dinar cement plant--and operations totaling 50 or 100 billion dinars have now become common--represents between 2 and 3 percent of our GDP. I don't know of any industrial country that has launched operations of that size. Neither the Concorde nor even the most extraordinary projects by NASA or other organizations can equal that in terms of the GDP's involved. This shows how much industrial risk we are running in terms of our resources. One hundred billion dinars represents 20,000 jobs for young people. I am not saying that investments of that type should not be made. I am saying that before making them, there should be a tremendous amount of reflection. In the current state of things, those who do the upstream reflecting are essentially foreign design offices and, secondarily, project officials within the administration. There is clearly a huge problem here that needs to be fought out precisely because it is still very vague in the eyes of the public.

I believe that, given the constraints of the Sixth Plan, the government authorities and especially the political authorities must help to bring a national force of gray matter to the fore. Because with all due respect to them, they have not done so to date. It is not design offices charging 100,000, 200,000, or 1 million dinars that we need. Basically, we should be paying for a multiplicity of ideas. There is no reason to pay foreign experts 300 dinars per day upstream from an investment and no reason why we cannot give a helping hand to young Tunisians who can be duly licensed for only 5 dinars and put them to work on problems, even if it does mean certifying them later if they prove that they have talent and imagination. Ideas are born of the hope of being heard and paid.

It is probable that after a few years, we would have built up a capacity for exporting to other countries experiencing the same problems as ours and that, with those new people, we would be able to promote techniques and solutions specific to us and all the more competitive on external markets in comparison with those proposed by Europeans or anyone else. At that point, the political forces, whoever they are, might have the means for carrying on valid discussions in the National Assembly as well as outside it. The ministers would have the means for considering several alternatives to an investment being proposed by their offices and of widening the field of possible choices as regards both techniques and intervention. I do not believe that the government opposes this a priori. Those who are opposed are a group of technocrats who have managed Tunisia for the past 10, 15, or even, in some cases, 20 years and who do not want anyone other than themselves--foreign experts excepted, of course--to propose anything different, be paid accordingly, and emerge as a force for ideas and technical proposals--an alternative that would counterbalance their own power at the risk of showing up their weaknesses. This necessarily calls for arbitration by the political power currently in office and the political class which is now in the opposition but which is eager to take the future of Tunisia in hand someday.

The basic problems should not be the concern of men in power to the exclusion of men in the opposition. Let me explain. Some comrades have criticized me for wanting to prevent class struggle or the maturing of social contradictions. They are wrong. Let us break the problem down. It is clear that our economy overall may wind up virtually like that of Poland in the space of 2 or 3 years. As far as the people in power now are concerned, they have no interest in seeing things weaken to that point, since the durability of their power is at stake.

As far as the people in the opposition are concerned, if they are striving to take Tunisia in hand someday in order to apply their social theories to it, they have no interest in taking over a country that is flat on its back financially and economically and engaged in a civil war socially. Everything today goes to show that as soon as an economic situation crumbles in Tunisia, social inflammability will reach critical thresholds. When that happens, I don't believe that national political forces will be able to take power freely without being thwarted by other, foreign forces or that they will be able to apply their theories. So I say that the entire political class--and I am not talking about the young people, who have no say in the matter today--should at least

agree to put the matter on the table and allow the development of reflections contributed by young people based on attentive observation of the bungling that has occurred to date and on their ideas concerning the search for organizational means of preventing it in the future. When it is remembered that the colonization of Tunisia in the last century and the arrival of the civil inspectors were consolidated by such incidents at the affair at M'Hamdia Palace or the port of Porto Farina at the mouth of the Medjerda River, we owe it to ourselves to learn from the errors of our ancestors. How can one put it into words--how can one express oneself to explain how greatly my generation today is traumatized by the bungling that it observes every day like a pimple on the country's face?

I am afraid that the political class whose members are over 50 years of age has disqualified itself as far as Tunisia's basic problems are concerned. It has refused to deal with them in sufficient depth, to open the typical files, and to produce slogans [sentence as published].

It is probable that young Tunisians bitterly resent the fact that their country is vulnerable--and has been in particular since 1978--and that their elders are turning over to them a country that is not sure of lasting. They do not protest too much, but they are aware. This must be seen as a lesson in patriotism being given to the entire traditional political class.

DEMOCRATIE: Is there a rift or distortion between political talk and the actual government?

Bouchrara: Unquestionably. We must start with realities and factual experience in order to answer that kind of question.

The story of Thala is typical in this respect. The truth about Thala has not been told. It got off the ground with practically no involvement by the political sector. It turned out to be an economic dead end later, after it had been set up almost entirely by technocrats and foreign experts. When the final decision had to be made, the political authorities were stuck with the job of making it. I feel that the truth should be told. I am not saying that 25 million dinars must not be invested in Thala!

Far from it! We ought to invest twice that much or more. But we must have the courage to tell the young people of Thala--the inhabitants of Thala and those of other neglected regions--that they have nothing to gain from decentralization, the piles of speeches and noble words, the excessively expensive factories, and products which will be too expensive for the community as a whole--that is, lime that will be just as expensive or more expensive than cement--with very few jobs in return for the investment made. I believe that political courage today consists above all of saying exactly what constitutes economic reality and its perverted sides, what is determining our future standard of living, what may handicap our economic growth and expansion, and so on.

There may always be industrial bungling in Tunisia--that is now proven--despite Tunisian administrative law and the regulatory procedures involving boards of directors, marketing commissions, approval by the supervising ministries,

councils of ministers, and national assemblies. None of that has prevented industrial bungling in Tunisia. An example might be that cement plant in the western part of the country that has not been able to get off the ground since 1979. We need to clarify responsibilities among the high-ranking cadres as well as procedures. The conclusions must be drawn publicly, because the sums at stake are enormous.

Failure to expand the petroleum refinery in Bizerte since 1970 is also going to cost hundreds of millions of dinars. I do not believe that the problem needs to be stated: it is the fault of the regime. It is a serious weakness in the functioning of the state, which is a prime and permanent possession of all Tunisians. There should be no modesty or prejudice about placing problems of this size on the table, because they belong to no one in particular, and in any case, it is practically an act against the nation not to want to go all the way in dealing with them. There are probably matters at the legal level to be revised. Above all, additional gray matter--intellectual added value--needs to be inserted upstream from investments. And there are also truths to be told from the bottom to the top and then conveyed to the highest level in the nation. It is, after all, unfortunate that it takes a trip by the prime minister to various regions of the country for the political authorities at the top level to realize that a good portion of the Tunisian population is permanently thirsty--it lacks water. That is abnormal. Just as it is also abnormal that in the Tunisian system, problems only become apparent when people take to the streets. Something is not working right. Let no one tell me that that is a special case. Examples of it are multiplying at present. As a consequence, it is necessary to reflect and to ask oneself how it is possible not to detect problems right from the start.

There is no reason for shame when a nation puts its own weaknesses and faults on the carpet. I will say that it becomes a question of survival when a country has as few resources as ours does and as little assurance that it will remain as it is.

It is true that in its functioning and in its way of detecting, learning about, and assimilating problems, the Tunisian state has not perfected its structure. There is no doubt about that. It is true that a great number of the nation's top technical officials are behind the times as far as information goes and as far as Tunisia's social dynamics are concerned.

The kind of reflection I am discussing should not be a matter for any political group in particular, but for an entire political generation which, in my opinion, has not taken much interest in it. I regret having to say that many young people have the impression that a certain [copy missing] seats eventually vacant and daily events exclusively, forgetting that it should be thinking of the essential thing, which is the continued building and improvement of the state. It has not gone into the field and has not gotten an idea of the facts through a meticulous study of the industrial and economic dossiers.

DEMOCRATIE: What might this lead to? What must be done?

Bouchrara: Tunisians are not so stupid. We have trained hundreds of thousands of young people, and despite everything, 6 million Tunisians means 6 million

people with good sense, after all. I do not see how we can continue to launch operations as big as those I mentioned a short while ago without first consulting each other concerning the alternatives. The procedures currently involve very few people, and their judgment is questioned hardly at all.

The problems should be debated. What also seems apparent is that probably, as far as the energy problem, the construction problem, and others are concerned, action by the state does not seem, in my opinion, to be divided up properly. By that I mean that the government's allocation of tasks does not seem to me to be the best possible, based on the information I presented a few moments ago concerning the major and basic problems that are going to weigh on Tunisia's future.

If we admit that political action, and government action in particular, is a matter of sticking as closely as one can to the problems affecting the future life of the nation, then there is no doubt that a ministry of energy or secretariat of state for energy should be established as soon as possible. We have not had an energy policy, and a few technicians--even if they are technicians of great merit and great patriots--would not be enough, because the problem has a larger dimension than that. The sector requires a political authority that will centralize all the problems, whether those of consumption, production, or finance.

We need a political representative who will act as a conscience present at every Council of Ministers meeting to remind the others insistently of the slipknot hanging around the country's future, and he must also hound the mass media to educate all the economic agents--who, regardless of what is said, make their own decisions about energy consumption--in order to curb that threat for good.

There is also no doubt that the water problem requires the establishment of a secretariat of state for water to ensure greater clarity, greater coherence, and greater coordination among the various departments and companies concerned with that basic and strategic problem.

There is no doubt that the problems should be approached in that fashion. I mean that things will necessarily be arranged in that way. But it is necessary that the problems be approached from that angle and that everyone join in and contribute either his political experience or his observations in the field. I will add, once again, that this is not the responsibility of anyone in particular and that every social and political group must work at it. There is no doubt that we should all be able to agree on that minimum foundation.

I believe that the majority of the Tunisians agree on that. I hope that the political and social forces that represent the people's aspirations best and in the freest possible way--the individuals who hold in themselves as persons or as an idea what this country and this small people with great ambitions are--will emerge as soon as possible.

I am not sure that they are on stage at present.

Note: Moncef Bouchrara has already published the following:

1. In DEMOCRATIE, under the pseudonym "Living for the Future":

October 1980: "A Mortal Danger."

December 1980: "Is It Later Than We Think?"

January 1981: "The Other Side of Growth in Tunisia."

May 1981: "Energy, Investment, and Employment."

2. In the magazine CONJONCTURE:

October, November, and December 1980: "Energy and Building Materials."

3. In LA PRESSE:

May 1982: "Energy Consumption in Small-Scale Brickyards."

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AGRO-INDUSTRIAL COMPLEX PLANNED FOR BEN BECHIR

Paris EUROPE OUTREMER in French No 629-630, Jun-Jul 82 p 19

[Article: "Second Sugar-Manufacturing Complex To Be Completed Soon"]

[Text] In 1980, the Tunisian refined sugar consumption was estimated at some 175,000 tons--most of which in refined form--by the French National Association of Sugar Manufacturers. Other sources give slightly lower figures. The Tunisian consumption increases by over 6 percent per year (demographic growth and higher standard of living).

To meet its needs, all the country has at present is one beet sugar refinery. It must therefore import white sugar and brown cane sugar for refining. The Beja sugar refinery belongs to the Tunisian Sugar Company (STS), a semi-nationalized company with a capital of 3.4 million dinars. It has a capacity of 1,500 tons of beets per day, i.e. approximately 7,000 tons of white sugar per year. There was a record beet crop in 1977 (118,000 tons on 3,600 hectares), which yielded 10,500 tons of refined sugar and resulted in processing problems in view of the limited plant capacity; the areas cultivated were reduced, and so was sugar production which is said to have been 7,300 tons in 1980 and 6,250 tons in 1981. 1982 is expected to show an improvement.

The sugar industry, still not much developed, also includes two other units of limited dimensions. IMER [expansion unknown] produces annually 18-20 thousand tons of agglomerated sugar from imported refined sugar. SIAC [expansion unknown], a subsidiary of STS, manufactures agglomerated sugar and packages refined white sugar. Its nominal capacity is about 2,400 tons of sugar ready to be sold.

Sugar Refinery and Yeast Plant Under Construction

Under a new long-term development program, a new agro-industrial complex including a beet sugar refinery and a yeast plant is under construction near the village of Ben Bechir, in the upper valley of the Medjerda. The contract for a turnkey complex was signed in March 1981 by the Tunisian Sugar Complex (CST)--in which the state has a majority interest--and by a consortium including the Italian company Shamprojetti and the West-German company BMA [expansion unknown]. Construction should be completed in time for the 1982 sugar campaign.

The complex will include the following units:

- one sugar refinery producing white sugar; it will have a processing capacity of 4,000 tons of beets per day, i.e. approximately 40,000 tons of white sugar per year;
- one yeast plant with a daily production capacity of 7.5 tons of dry baker's yeast;
- utility services, e.g. energy production, water supply, compressed-air production;
- an industrial zone including workshops and ancillary facilities.

For the sugar refinery, BMA will supply the pulp washing, pressing and drying facilities, the pelletization, juice purification, evaporation and crystallization facilities; as for the yeast plant, it will be supplied in its entirety by Starcosa, a subsidiary of BMA. The equipment and services supplied to Tunisia include, among others: the production of tanks and reservoirs, the metallic framework and the building materials; the company will also perform civil engineering and assembly work.

Let us briefly mention that the juice extracted from sugar beet chips is purified before undergoing five-fold evaporation; it is then crystallized using a triple-jet crystallization process. The white sugar coming out of the centrifuges is directed to a combined dryer-cooler and then packaged in 50-kg bags, but it may also be sold in bulk. The bagged sugar warehouse will have a capacity of 30,000 tons of sugar.

Thus, when the Ben Bechir sugar complex is placed into service, as it soon will be, the country's sugar manufacturing capacity will be multiplied by 2.5 and a new product, yeast, will be added to the range of Tunisia's industrial production.

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TUNISIA

REPORT ON OLIVE INDUSTRY

Paris EUROPE OUTREMER in French No 629-630, Jun-Jul 82 p 40

[Article: "140,000 Tons of Olive Oil in 1980-1981"]

[Text] Tunisian olive oil is well known of gourmets throughout the world. Indeed, Tunisia is the fifth producer and second exporter of this typically Mediterranean product. In the country, olive trees cover 1.4 millions of hectares, i.e. one third of all tillable lands, and there are approximately 55 millions of trees, twice as many as at the time of independence. The rows of trees in the large Sahel olive plantations are impressive.

There are approximately 1,400 oil mills, most of which of artisanal dimensions. Nevertheless, consumption--estimated at 35,000 tons--keeps declining under the dual effect of reduced availability and higher prices. Increasingly, Tunisians consume oil blends, the price of which is subsidized. In 1979-1980 already, 80,000 tons of soy oil were imported.

Weather conditions were better during 1980-1981 than during the previous campaign; as a result, tree yields improved and olive oil production increased to 140,000 tons, compared with 85,000 tons for each of the two preceding years. Exports, which had dropped to less than 49,000 tons in 1979-1980, are expected to reach approximately 70,000 tons. However, Tunisia will have to look for new markets for its oil since the expansion of the European Economic Community may result in restrictions on olive oil importations. The National Oil Office (ONH) has a monopoly on wholesale oil trade.

To maintain the olive plantations, thousands of olive trees in the Sahel must be replaced, and 6 million trees must be treated against diseases such as psylla, scurf and the olive fly.

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